

db ETC Plc

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

For the half year ended 30 June 2018

Registered number : 103781

db ETC Plc

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Directors and other information

Directors

Visdirect Services Limited (Appointed on 15 July 2018)
 Viscom Services Limited (Appointed on 15 July 2018)
 Intertrust Corporate Director 3 Limited (Resigned on 15 July 2018)
 Intertrust Corporate Director 4 Limited (Resigned on 15 July 2018)
 Marc Harris

Registered Office

<i>(Effective as from 15 July 2018)</i>	<i>(Effective up to 15 July 2018)</i>
St Paul's Gate	St Paul's Gate
22-24 New Street	New Street
St Helier	St Helier
Jersey JE1 4TR	Jersey JE4 8ZB
Channel Islands	Channel Islands

**Administrator, &
Company Secretary**

<i>(Effective as from 15 July 2018)</i>	<i>(Effective up to 15 July 2018)</i>
Vistra Fund Services Limited	Deutsche International Corporate Services Limited
St Paul's Gate	St Paul's Gate
22-24 New Street	New Street
St Helier	St Helier
Jersey JE1 4TR	Jersey JE4 8ZB
Channel Islands	Channel Islands

Determination Agent

<i>(Effective as from 16 June 2018)</i>	<i>(Effective up to 16 June 2018)</i>
Apex Fund Services (Ireland) Limited	Deutsche International Corporate Services Limited
Block 5	Pinnacle 2
Irish Life Centre	Eastpoint Business Park
Abbey Street Lower	Dublin 3
Dublin D01 P767	Ireland
Ireland	

**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

Note 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 condensed unaudited interim financial statements of db ETC Plc (the "Company") for the half year ended 30 June 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.

The ETC Securities issued 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 half year ended:

- the Company made a profit of EUR nil (30 June 2017: EUR nil);
- the net fair value loss on inventories at fair value less costs to sell and Metal bullion due from Programme Counterparty at fair value amounted to EUR 121,066,066 (30 June 2017: net fair value gain of EUR 26,211,947);
- the net fair value gain on financial liabilities designated at fair value through profit or loss amounted to EUR 121,066,066 (30 June 2017 : net fair value loss of EUR 26,211,947); and
- the names of the Series of ETC Securities were rebranded as follows:

Series	Current	New 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

As at 30 June 2018:

- the Company's total ETC Securities issued had a fair value of EUR 4,444,610,584 (2017: EUR 3,022,385,745);
- the Company has invested in inventories with a fair value of EUR 4,433,036,620 (2017: EUR 2,874,157,220);
- Metal bullion with a value of EUR 11,573,964 (2017: EUR 148,228,525) was due to the Company from the Programme Counterparty under the terms of the Balancing Agreement; and
- the net assets were EUR 30,002 (2017: EUR 30,002).

Interim management report (continued)

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.

Credit events

There was no credit event noted during the period.

Subsequent events

Subsequent events are disclosed under note 18 to the financial statements.

Results and dividends for the period

The results for the period are set out on page 5. The directors do not recommend the payment of a dividend for the period under review (30 June 2017: EUR 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 VFSL 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 period.

Directors, secretary and their interests

None of the directors or the secretary who held office on 30 June 2018 held any shares or ETC securities in the Company at that date, or during the period. 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 14, 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 14 for full details of the relationships entered into between the Company and its related parties.

On behalf of the Board


Marc Harris

Director

Date: 13 September 2018

Responsibility statement

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

- the condensed unaudited interim 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 Company, 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 condensed unaudited interim financial statements for the half year ended 30 June 2018 have not been audited.

On behalf of the Board



Marc Harris
Director

Date: 13 September 2018

Condensed statement of comprehensive income
For the half year ended 30 June 2018

	Notes	Period ended 30-Jun-18 EUR	Period ended 30-Jun-17 EUR
Net fair value (loss)/gain on inventories at fair value less costs to sell and Metal bullion due from Programme Counterparty	4	(121,066,066)	26,211,947
Net fair value gain/(loss) on financial liabilities designated at fair value through profit or loss	5	121,066,066	(26,211,947)
Operating result		-	-
Other income		-	-
Operating profit before taxation		-	-
Taxation	6	-	-
Profit or loss and total comprehensive income for the period		-	-

The notes on pages 9 to 15 form an integral part of the financial statements.

Condensed statement of financial position
As at 30 June 2018

	Notes	30-Jun-18 EUR	31-Dec-17 EUR
Assets			
Cash and cash equivalents	7	2	2
Other receivables	8	5,591,952	24,663,562
Inventories held at fair value less costs to sell	9	4,433,036,620	2,874,157,220
Metal bullion due from Programme Counterparty	9	11,573,964	148,228,525
Total assets		<u>4,450,202,538</u>	<u>3,047,049,309</u>
Liabilities and equity			
Liabilities			
Other payables	10	5,561,952	24,633,562
Financial liabilities designated at fair value through profit or loss	11	4,444,610,584	3,022,385,745
Total liabilities		<u>4,450,172,536</u>	<u>3,047,019,307</u>
Equity			
Share capital	12	2	2
Retained earnings		30,000	30,000
Total equity		<u>30,002</u>	<u>30,002</u>
Total liabilities and equity		<u>4,450,202,538</u>	<u>3,047,049,309</u>

The condensed unaudited interim financial statements on pages 5 to 15 were approved by the Board and authorised for issue on 29 August 2018.

On behalf of the Board

Marc Harris
Director

Date: 13 September 2018

**Condensed statement of changes in equity
For the half year ended 30 June 2018**

	Share capital EUR	Retained earnings EUR	Total equity EUR
Balance as at 1 January 2017	2	30,000	30,002
<i>Comprehensive income for the period</i>			
Profit for the period	-	-	-
Total comprehensive income for the period	-	-	-
Balance as at 30 June 2017	2	30,000	30,002
<i>Comprehensive income for the period</i>			
Profit for the period	-	-	-
Total comprehensive income for the period	-	-	-
Balance as at 31 December 2017	2	30,000	30,002
<i>Comprehensive income for the period</i>			
Profit for the period	-	-	-
Total comprehensive income for the period	-	-	-
Balance as at 30 June 2018	2	30,000	30,002

Condensed statement of cash flows
For the half year ended 30 June 2018

	Notes	Period ended 30-Jun-18 EUR	Period ended 30-Jun-17 EUR
Cash flows from operating activities			
Profit before taxation		-	-
<i>Adjustments for:</i>			
Net fair value loss/(gain) on inventories at fair value less costs to sell and Metal bullion due from Programme Counterparty at fair value	4	121,066,066	(26,211,947)
Net fair value (gain)/loss on financial liabilities designated at fair value through profit or loss	5	(121,066,066)	26,211,947
Net cash generated from operating activities		<u>-</u>	<u>-</u>
Cash flows from investing activities			
Purchase of inventories		(2,234,705,906)	(958,640,367)
Proceeds from disposal of inventories		691,415,001	215,019,722
Net cash used in investing activities		<u>(1,543,290,905)</u>	<u>(743,620,645)</u>
Cash flows from financing activities			
Proceeds from issuance of financial liabilities designated at fair value through profit or loss		2,234,705,906	958,640,367
Redemption of financial liabilities designated at fair value through profit or loss		(691,415,001)	(215,019,722)
Net cash generated from financing activities		<u>1,543,290,905</u>	<u>743,620,645</u>
Movement in cash and cash equivalents			
		-	-
Cash and cash equivalents at start of the period		2	2
Cash and cash equivalents at end of the period		<u>2</u>	<u>2</u>

The notes on pages 9 to 15 form an integral part of the financial statements.

**Notes to the condensed unaudited interim financial statements
For the half year ended 30 June 2018**

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 issued are listed on various exchanges including London, Switzerland, Milan and Frankfurt.

2 Basis of preparation

The condensed unaudited interim financial statements for the half year ended 30 June 2018 have been prepared in accordance with International Accounting Standard (IAS) 34 'Interim Financial Reporting'. The condensed unaudited interim financial statements should be read in conjunction with the audited annual financial statements for the year ended 31 December 2017 and the condensed unaudited interim financial statements for the period ended 30 June 2017.

3 Significant accounting policies

The same accounting policies, presentation and methods of computation are followed in these condensed unaudited interim financial statements as were applied in the preparation of the Company's audited financial statements for the year ended 31 December 2017.

4 Net fair value (loss)/gain on inventories at fair value less costs to sell and Metal bullion due from Programme Counterparty	Period ended 30-Jun-18 EUR	Period ended 30-Jun-17 EUR
Net fair value (loss)/gain on inventories at fair value less costs to sell and Metal bullion due from Programme Counterparty	(121,066,066)	26,211,947
	<u>(121,066,066)</u>	<u>26,211,947</u>

5 Net fair value gain/(loss) on financial liabilities designated at fair value through profit or loss	Period ended 30-Jun-18 EUR	Period ended 30-Jun-17 EUR
Net fair value gain/(loss) on ETC Securities	121,066,066	(26,211,947)
	<u>121,066,066</u>	<u>(26,211,947)</u>

6 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%.

7 Cash and cash equivalents	30-Jun-18 EUR	31-Dec-17 EUR
Cash at bank	2	2
	<u>2</u>	<u>2</u>

8 Other receivables	30-Jun-18 EUR	31-Dec-17 EUR
Inventories receivable*	5,561,952	3,725,573
Corporate benefit receivable due from Arranger	30,000	30,000
ETC securities receivables	-	20,907,989
	<u>5,591,952</u>	<u>24,663,562</u>

*As at 30 June 2018, the disposal of 1,759 ounces of Gold @ USD 1,250.45 for Series 1 Xtrackers Physical Gold ETC due 2060; 890 ounces of Gold @ EUR 1,250.45 for Series 2 Xtrackers Physical Gold EUR Hedged ETC due 2060; 1,662 ounces of Gold @ EUR 1,250.45 for Series 9 Xtrackers Physical Gold ETC (EUR) due 2060 and 67,577 ounces of Silver @ EUR 16.11 for Series 10 Xtrackers Physical Silver ETC (EUR) due 2060 (31 December 2017: 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 were all subsequently settled on 3 July 2018, except for Series 10 which was settled on 2 July 2018.

Notes to the condensed unaudited interim financial statements (continued)
For the half year ended 30 June 2018

9	Inventories held at fair value less costs to sell and Metal bullion due from Programme Counterparty	30-Jun-18	31-Dec-17
		EUR	EUR
	Inventories	4,433,036,620	2,874,157,220
	Metal bullion due from Programme Counterparty	11,573,964	148,228,525
		<u>4,444,610,584</u>	<u>3,022,385,745</u>

	Movement in inventories	30-Jun-18	31-Dec-17
		EUR	EUR
	At beginning of the period/year	3,022,385,745	2,123,381,387
	Additions during the period/year	2,234,705,906	1,693,455,401
	Disposals during the period/year	(691,415,001)	(883,917,952)
	Net changes in fair value during the period/year	(121,066,066)	89,466,909
	At end of the period/year	<u>4,444,610,584</u>	<u>3,022,385,745</u>

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.

10	Other payables	30-Jun-18	31-Dec-17
		EUR	EUR
	ETC securities payables*	5,561,952	3,725,573
	Inventories payable	-	20,907,989
		<u>5,561,952</u>	<u>24,633,562</u>

*As at 30 June 2018, the redemption of 18,000 ETC securities @ USD 122.17 each for Series 1 Xtrackers Physical Gold ETC due 2060; the redemption of 10,800 ETC securities @ EUR 88.50 each for Series 2 Xtrackers Physical Gold EUR Hedged ETC due 2060; the redemption of 17,000 ETC securities @ EUR 105 each for Series 9 Xtrackers Physical Gold ETC (EUR) due 2060 and the redemption of 7,000 ETC securities @ EUR 134.15 each for Series 10 Xtrackers Physical Silver ETC (EUR) due 2060 (31 December 2017: 11,000 ETC Securities @ EUR 115.98 each for Series 4 db Physical Silver Euro Hedged ETC due 2060 and 18,000 ETC Securities @ EUR 136.10 each for Series 10 db Physical Silver ETC due 2060 (EUR)) remained unsettled as at 30 June 2018 and were all subsequently settled on 3 July 2018, except for Series 10 which was settled on 2 July 2018.

11 **Financial liabilities designated at fair value through profit or loss**

	30-Jun-18		31-Dec-17	
	Nominal units issued	Fair value EUR	Nominal units issued	Fair value EUR
ETC Securities issued	46,130,042	4,444,610,584	34,411,275	3,022,385,745

	Movement in ETC Securities issued	30-Jun-18	31-Dec-17
		EUR	EUR
	At beginning of the period/year	3,022,385,745	2,123,381,387
	Issue of ETC Securities issued during the period/year	2,234,705,906	1,693,455,401
	Redemption of ETC Securities issued during the period/year	(691,415,001)	(883,917,952)
	Net (loss)/gain in fair value during the period/year	(121,066,066)	89,466,909
	At end of the period/year	<u>4,444,610,584</u>	<u>3,022,385,745</u>

The ETC Securities issued are listed on various exchanges including London, Switzerland, Milan and Frankfurt. Refer to note 16 for a description of the key risks regarding the issue of these instruments.

The financial liabilities in issue at 30 June 2018 are as follows:

Series	Description	CCY	Maturity date	Units Outstanding 30-Jun-18	NAV per unit (CCY) 30-Jun-18	Fair value EUR 30-Jun-18
Series 1	Xtrackers Physical Gold ETC*	USD	15-Jun-60	6,496,475	122.17	679,252,582
Series 2	Xtrackers Physical Gold EUR Hedged ETC*	EUR	15-Jun-60	15,756,800	88.50	1,394,550,016
Series 3	Xtrackers Physical Silver ETC	USD	15-Jun-60	292,000	154.61	38,635,587

Notes to the condensed unaudited interim financial statements (continued)
For the half year ended 30 June 2018

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

The financial liabilities in issue at 30 June 2018 are as follows (continued):

Series	Description	CCY	Maturity date	Units Outstanding 30-Jun-18	NAV per unit (CCY) 30-Jun-18	Fair value EUR 30-Jun-18
Series 4	Xtrackers Physical Silver EUR Hedged ETC*	EUR	15-Jun-60	1,155,000	108.27	125,046,883
Series 5	Xtrackers Physical Platinum ETC*	USD	14-Jul-60	374,700	82.06	26,314,726
Series 6	Xtrackers Physical Platinum EUR Hedged ETC*	EUR	14-Jul-60	1,201,400	57.31	68,857,323
Series 7	Xtrackers Physical Palladium ETC*	USD	14-Jul-60	80,300	91.90	6,315,301
Series 8	Xtrackers Physical Palladium EUR Hedged ETC*	EUR	14-Jul-60	173,500	63.37	10,995,180
Series 9	Xtrackers Physical Gold ETC (EUR)*	EUR	27-Aug-60	18,300,100	105.00	1,921,515,692
Series 10	Xtrackers Physical Silver ETC (EUR)*	EUR	27-Aug-60	716,500	132.95	95,259,990
Series 11	Xtrackers Physical Rhodium ETC*	USD	19-May-61	245,600	210.09	44,156,680
Series 12	Xtrackers Physical Rhodium ETC (EUR)*	EUR	19-May-61	132,667	180.18	23,903,375
Series 13	Xtrackers Physical Gold GBP Hedged ETC*	GBP	01-Apr-61	1,205,000	7.20	9,807,249
				46,130,042		4,444,610,584

*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 date	Units outstanding 31-Dec-17	NAV per unit (CCY) 31-Dec-17	Fair value EUR 31-Dec-17
Series 1	db Physical Gold ETC	USD	15-Jun-60	6,052,175	126.83	639,429,719
Series 2	db Physical Gold Euro Hedged ETC	EUR	15-Jun-60	15,226,600	93.31	1,420,828,764
Series 3	db Physical Silver ETC	USD	15-Jun-60	285,500	162.99	38,762,749
Series 4	db Physical Silver Euro Hedged ETC	EUR	15-Jun-60	990,000	115.98	114,824,040
Series 5	db Physical Platinum ETC	USD	14-Jul-60	337,600	89.59	25,195,821
Series 6	db Physical Platinum Euro Hedged ETC	EUR	14-Jul-60	464,600	63.57	29,534,916
Series 7	db Physical Palladium ETC	USD	14-Jul-60	99,800	102.06	8,484,784
Series 8	db Physical Palladium Euro Hedged ETC	EUR	14-Jul-60	213,500	71.58	15,282,034
Series 9	db Physical Gold ETC (EUR)	EUR	27-Aug-60	5,156,000	105.95	546,286,429
Series 10	db Physical Silver ETC (EUR)	EUR	27-Aug-60	568,500	136.10	77,371,268
Series 11	db Physical Rhodium ETC	USD	19-May-61	310,000	159.50	41,186,488
Series 12	db Physical Rhodium ETC (EUR)	EUR	19-May-61	202,000	132.97	26,859,630
Series 13	db Physical Gold GBP Hedged ETC	GBP	01-Apr-61	4,505,000	7.56	38,339,103
				34,411,275		3,022,385,745

Notes to the condensed unaudited interim financial statements (continued)
For the half year ended 30 June 2018

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

Movement in fair values by Series for the period ended 30 June 2018

Series	Description	Opening balance 01-Jan-18 EUR	Issuances EUR	Redemptions EUR	Net changes in fair values EUR	Closing balance 30-Jun-18 EUR
Series 1	Xtrackers Physical Gold ETC	639,429,719	128,910,977	(81,535,858)	(7,552,256)	679,252,582
Series 2	Xtrackers Physical Gold EUR Hedged ETC*	1,420,828,764	285,027,823	(232,441,400)	(78,865,171)	1,394,550,016
Series 3	Xtrackers Physical Silver ETC	38,762,749	3,022,750	(2,229,500)	(920,412)	38,635,587
Series 4	Xtrackers Physical Silver EUR Hedged ETC*	114,824,040	184,335,459	(169,034,602)	(5,078,014)	125,046,883
Series 5	Xtrackers Physical Platinum ETC*	25,195,821	7,205,277	(4,484,725)	(1,601,647)	26,314,726
Series 6	Xtrackers Physical Platinum EUR Hedged ETC*	29,534,916	49,773,742	(1,039,866)	(9,411,469)	68,857,323
Series 7	Xtrackers Physical Palladium ETC*	8,484,784	1,308,773	(2,968,871)	(509,385)	6,315,301
Series 8	Xtrackers Physical Palladium EUR Hedged ETC*	15,282,034	1,495,081	(4,097,478)	(1,684,457)	10,995,180
Series 9	Xtrackers Physical Gold ETC (EUR)*	546,286,429	1,510,333,869	(100,455,632)	(34,648,974)	1,921,515,692
Series 10	Xtrackers Physical Silver ETC (EUR)*	77,371,268	59,360,304	(40,142,345)	(1,329,237)	95,259,990
Series 11	Xtrackers Physical Rhodium ETC*	41,186,488	-	(10,007,977)	12,978,169	44,156,680
Series 12	Xtrackers Physical Rhodium ETC (EUR)*	26,859,630	-	(10,191,212)	7,234,957	23,903,375
Series 13	Xtrackers Physical Gold GBP Hedged ETC*	38,339,103	3,931,851	(32,785,535)	321,830	9,807,249
		3,022,385,745	2,234,705,906	(691,415,001)	(121,066,066)	4,444,610,584

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

Notes to the condensed unaudited interim financial statements (continued)
For the half year ended 30 June 2018

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

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

Series	Description	Opening balance 01-Jan-17 EUR	Issuances EUR	Redemptions EUR	Net changes in fair values EUR	Closing balance 31-Dec-17 EUR
Series 16	db Physical Gold CHF	6,920,984	486,586	(7,550,837)	143,267	-
		<u>2,123,381,387</u>	<u>1,693,455,401</u>	<u>(883,917,952)</u>	<u>89,466,909</u>	<u>3,022,385,745</u>

12 Share capital

Authorised:

	30-Jun-18 GBP	31-Dec-17 GBP
10,000 ordinary shares of GBP 1 each	<u>10,000</u>	<u>10,000</u>

Issued and fully paid

	30-Jun-18 EUR	31-Dec-17 EUR
2 ordinary shares of GBP 1 each	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>

As at 30 June 2018 and 31 December 2017, the ordinary share capital was held by the following non-beneficial nominees:

	30-Jun-18 GBP	31-Dec-17 GBP
Intertrust Nominees (Jersey) Limited	1	1
Intertrust Nominees 2 (Jersey) Limited	1	1
	<u>2</u>	<u>2</u>

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.

13 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.

14 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. Visdirect Services Limited and Viscom Services Limited are both part of the Vistra group of companies. No fee was charged or paid to the Vistra Group during the period under review by the Company for the provision of directors. Most expenses of the Company are borne by the Arranger, Deutsche Bank AG, London Branch, including fees paid to Vistra.

Metal bullion due from Programme Counterparty amounting to 11,573,964 (31 December 2017: EUR 148,228,525) were outstanding as at 30 June 2018.

Product fees accrued for the period ended 30 June 2018 due to Deutsche Bank AG, London branch in its capacity as Arranger amounted to EUR 8,260,672 (31 December 2017: EUR 12,150,243).

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.

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

As at 30 June 2018, the number of ETC Securities held by Deutsche Bank AG, London Branch, as authorised participant was 225,110 units (EUR 13,831,655) (31 December 2017: 249,295 units (EUR 13,142,245)).

Notes to the condensed unaudited interim financial statements (continued)
For the half year ended 30 June 2018

15 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.

16 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:

- 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.

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.

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, inventories held at fair value less costs to sell and metal bullion due from Programme Counterparty which represents the Company's maximum exposure to credit risk. All credit risk are ultimately borne by the ETC Securities holders.

Market risk

Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. The ETC Securities 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 Securities 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 that are denominated in currencies other than its functional currency. As at 30 June 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 securities holders.

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

	Average rate		Closing rate			
	Period ended 30-Jun-18	Year ended 31-Dec-17	Period ended 30-Jun-17	Period ended 30-Jun-18	Year ended 31-Dec-17	Period ended 30-Jun-17
USD-EUR	0.8266	0.88659	0.9238	0.8558	0.8330	0.8752
GBP-EUR	1.1367	1.14150	1.1629	1.1303	1.1260	1.1398
CHF-EUR	-	0.90043	0.9289	-	0.8549	0.9132

(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.

Notes to the condensed unaudited interim financial statements (continued)
For the half year ended 30 June 2018

16 Financial risk management (continued)

Market risk (continued)

(iii) *Price risk (continued)*

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 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 Securities holders.

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 Securities holders.

Fair values

The Company's inventories and financial liabilities designated at fair value through profit or loss are carried at fair value in the condensed statement of financial position.

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 prices (unadjusted) in 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.

The Company does not have any financial instruments at level 1 or 3 and there has not been any transfer between levels during the half year ended 30 June 2018.

17 Operating expenses

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

18 Subsequent events

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 VFSL 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.

There has been no other significant events that require disclosure to the condensed unaudited interim financial statements since the period end and up to the date of approving the interim report.

19 Comparatives

In line with IAS 34, the comparative information for the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows are for the period ended 30 June 2017 and the comparative information for the statement of financial position is as at 31 December 2017.

20 Approval of the condensed unaudited interim financial statements

The Board of directors approved these condensed unaudited interim financial statements on 29 August 2018.