

# Strategic and tactical allocations



## Proposed allocations for taxable client (where hedge funds are suitable)

	Income		Growth & Income		Growth		Maximum Growth	
	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical
<b>Equities</b>	<b>32.5%</b>	<b>31.5%</b>	<b>49.0%</b>	<b>48.0%</b>	<b>67.0%</b>	<b>65.5%</b>	<b>84.5%</b>	<b>82.5%</b>
U.S. Large Cap	15.0%	15.0%	23.5%	23.5%	33.0%	33.0%	42.0%	42.0%
U.S. Small Cap	2.0%	1.5%	2.5%	2.0%	3.5%	3.0%	4.0%	3.0%
EAFE	11.5%	11.5%	17.0%	17.0%	22.5%	22.5%	29.0%	29.0%
European	7.5%	7.5%	11.5%	11.5%	15.0%	15.0%	20.0%	20.0%
Japan	2.5%	2.5%	3.0%	3.0%	4.5%	4.5%	5.5%	5.5%
Pacific ex-Japan	1.5%	1.5%	2.5%	2.5%	3.0%	3.0%	3.5%	3.5%
Emerging Market	4.0%	3.5%	6.0%	5.5%	8.0%	7.0%	9.5%	8.5%
Core Emg Mkts Equity		2.0%		3.5%		4.5%		5.5%
Emg Mkts Asia Equity		1.5%		2.0%		2.5%		3.0%
<b>Fixed Income &amp; Cash</b>	<b>58.5%</b>	<b>60.5%</b>	<b>40.5%</b>	<b>42.5%</b>	<b>24.0%</b>	<b>26.5%</b>	<b>7.0%</b>	<b>10.5%</b>
Municipal Bonds	50.5%	50.5%	32.0%	32.0%	16.0%	16.0%	---	---
High Yield Bonds	2.0%	3.0%	2.0%	3.0%	2.0%	3.0%	2.5%	4.0%
Int'l Bonds- Hedged	---	---	---	---	---	---	---	---
Emerging Market Bonds	2.0%	2.5%	2.5%	3.0%	2.0%	2.5%	2.5%	3.5%
TIPS	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	---	---
Cash	2.0%	2.5%	2.0%	2.5%	2.0%	3.0%	2.0%	3.0%
<b>Alternatives</b>	<b>9.0%</b>	<b>8.0%</b>	<b>10.5%</b>	<b>9.5%</b>	<b>9.0%</b>	<b>8.0%</b>	<b>8.5%</b>	<b>7.0%</b>
Hedge Funds	7.0%	7.0%	8.5%	8.5%	7.0%	7.0%	6.0%	6.0%
Non-directional HF	5.0%	5.0%	4.5%	4.5%	3.0%	3.0%	---	---
Directional HF	2.0%	2.0%	4.0%	4.0%	4.0%	4.0%	6.0%	6.0%
Commodities	2.0%	1.0%	2.0%	1.0%	2.0%	1.0%	2.5%	1.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Internal sources. Last asset allocation change was May 19, 2015 and is reviewed monthly. Allocation recommendations are subject to change without notice. The "strategic allocation" represents our longer term outlook on portfolio diversification and serves as a frame of reference for our short-term tactical adjustments for U.S. clients. Actual portfolio composition and performance will vary within the strategic range based upon active market judgments, altering the allocation and adjusting within asset classes. Neither this Allocation Table nor any of its contents may be used for any purpose without the consent and knowledge of Deutsche Bank. It may not be reproduced or circulated without our written authority.

The asset allocations described herein are formulated by the Regional Investment Committee within Wealth Management (RIC) and may utilize the following asset class components: U.S. large cap equity, U.S. small cap equity, Japan equity, Europe equity, Pacific ex-Japan equity, emerging markets equity, U.S. fixed income, U.S. high-yield bonds, international bonds, emerging market bonds, municipal bonds, Treasury Inflation Protected Securities, hedge funds, Real Estate Investment Trusts, commodities, and cash. The RIC currently recognizes four basic investment strategies: Income, Growth & Income, Growth, and Maximum Growth. The strategy selected is based upon the individual investor's objectives and risk tolerance. Your selected portfolio will determine the specific allocation to the asset classes represented by these vehicles.

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