

U.S. leisure and entertainment

Idea initiated
 April 1, 2015

Reference measure

PowerShares Dynamic Leisure and Entertainment Portfolio vs. S&P 500 Index**

Investment horizon
 3 – 12 months

Performance since initiation



U.S. leisure-and-entertainment stocks have started catching up with the broader U.S. equity market over the last few months and we believe that this trend may continue. Overall U.S. retail sales improved in July with, for example, sales at food services and drinking places up 9% on a year earlier. The apparent preference for leisure-and-entertainment spending – over that of goods – is reflected in higher consensus earnings expectations for this sector.

High-yield debt

Idea initiated
 February 24, 2015

Reference measure

Average of Barclays U.S. High Yield and Barclays Euro High Yield indices, weighted according to market size, in U.S. dollars vs. cash*

Investment horizon
 3 – 12 months

Performance since initiation



The performance of this idea worsened in July and August. However, despite concerns about the impact of low oil prices on energy-sector borrowers, overall U.S. high-yield default rates are still expected by Moody's to rise only modestly over the coming year.² Issuers appear to have largely financed maturities into 2017 and beyond. European high-yield – where energy-sector borrowers are much less important – may be more appealing over a medium-term time horizon.

U.S. consumer discretionary

Idea initiated
 September 19, 2014

Reference measure

S&P 500 Consumer Discretionary Index vs. cash*

Investment horizon
 3 – 12+ months

Performance since initiation



U.S. consumer-discretionary stocks should be supported by the following three factors. First, lower commodity – and in particular oil – prices. The general rule of thumb is that every \$0.01 fall in gasoline prices adds around \$1 billion to consumer spending power. Second, the U.S. labor market continues to improve and there are further signs of a resumption of wage growth. Third, consumer confidence remains strong. Overall U.S. retail sales were 2.4% higher in July than a year earlier, in U.S. dollar terms.

High-conviction ideas key
 ⊕ indicates gain
 ⊖ indicates loss

* Total-return idea where performance is measured by the gain/loss in the performance measure in U.S. dollars. Stated performance is from given entry date to 8/18/15.

** Relative-return idea, based on the relative performance of the two measures in U.S. dollars. Stated performance is from given entry date to 8/18/15.

High-conviction ideas may not be suitable for all investors. Investments come with risk. The value of an investment can fall as well as rise and your capital may be at risk. You might not get back the amount originally invested at any point in time. Some investments may not be suitable for all investors and investors should seek professional advice before investing. The examples above are shown for illustrative purposes only and should not be considered to be an offer or solicitation, advice or recommendation. It is not possible to invest directly in an index.

Sources: Deutsche Asset & Wealth Management Investment GmbH, Deutsche Bank Trust Company Americas, as of 8/18/15

Past performance is not indicative of future returns. No assurance can be given that any forecast, investment objectives and/or expected returns will be achieved.

¹ On June 5, 2015, the Bundesbank predicted 1.5% GDP growth for the full year 2015, after 1.4% for the first half.

² Source: Moody's Investors Service Inc.: July Default Report, as of 8/14/15