

German housing

Idea initiated
 April 1, 2015

Reference measure

MSCI IPD OFIX Germany Index vs. cash*

Investment horizon
 24 months

Performance since initiation



The MSCI IPD OFIX Germany Index rose again in October and the upwards trend in German home prices – now evident for several years – looks likely to continue. We believe that interest rates should remain very low and wage growth, adjusted for inflation, has reached the highest level since this quarterly series was introduced in 2008. Fiscal policy is not restrictive, either. At present, the housing market does not show the typical characteristics of a “bubble”, with mortgage-financing growth remaining moderate.

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



Rising U.S. consumer confidence has yet to translate into strong gains in overall retail sales – according to advance estimates from the U.S. Commerce Department, sales rose only 0.1% between September and October to a level just 1.2% higher than a year previously. But leisure-related spending may be rising faster: sales at food services and drinking places were up 5.5% in October on a year earlier. Airline stocks, an important part of the PowerShares Dynamic Leisure and Entertainment Portfolio, have also risen recently although this rise could be reversed by recent terrorist incidents.

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



We remain generally positive on the U.S. high-yield market, although aware of the potential impact volatility in the energy and metals-and-mining sectors could have on the overall market. We believe that euro high-yield offers a good risk/return combination and is likely to benefit from further QE in Europe, as well as from not having much exposure to oil and gas. Overall, while U.S. high-yield has the higher upside potential due to higher spreads, euro high-yield should have less fundamental risk.

High-conviction ideas key

- ⊕ indicates gain
- ⊖ indicates loss

* Relative-return idea, based on the relative performance of the two measures in U.S. dollars. Stated performance is from given entry date to 11/12/2015.

** 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 11/12/2015.

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 11/12/2015

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.