



Trading & Product Development Foreign Exchange (FX) Trading

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ECB FXCG

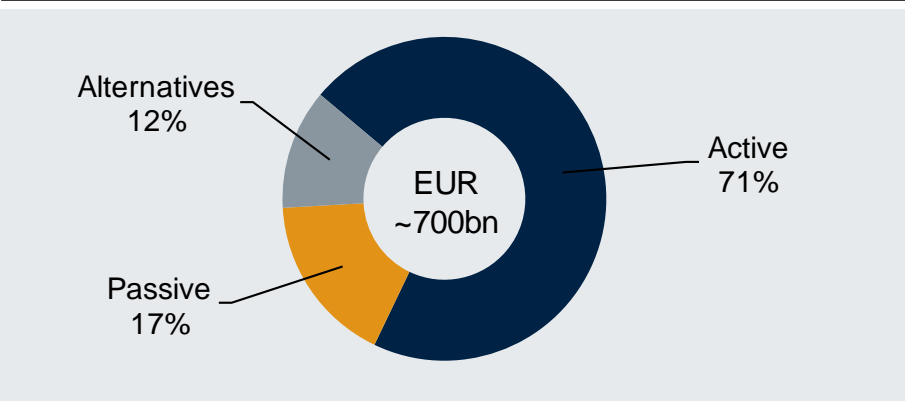


Deutsche Asset Management

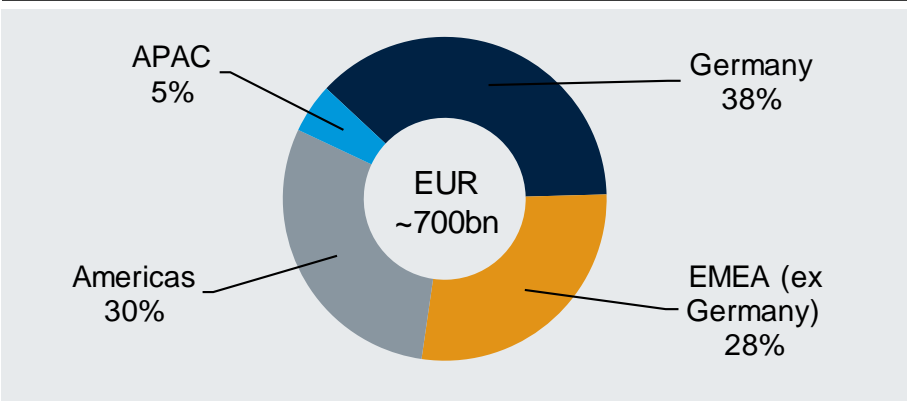
Key Financial Indicators



Product mix



Geographic mix (manufacturing)

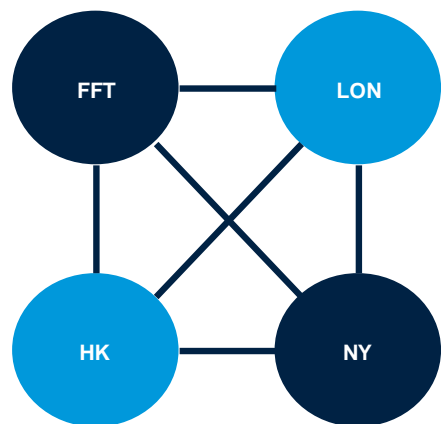


Source: Deutsche Asset Management Investment GmbH as of Dec 31, 2016

Trading and Product Development Organisation



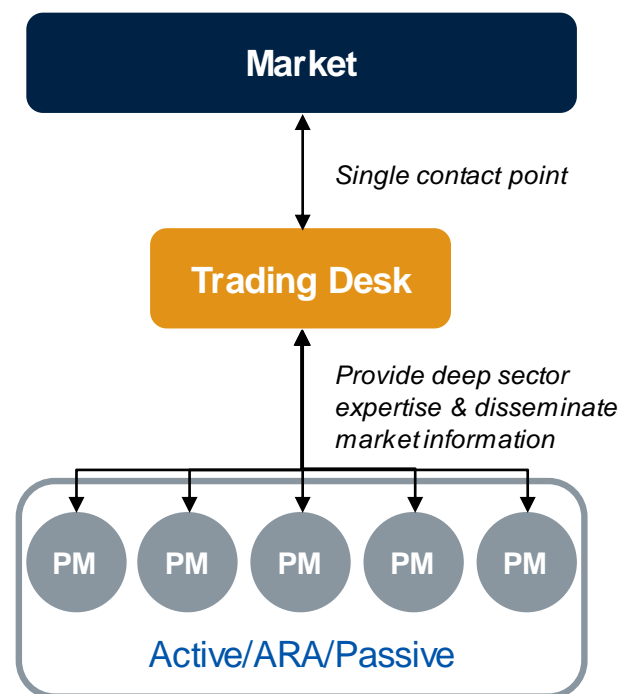
Trading Hub Model



'Follow the sun' model

- Maximize execution opportunities
- Regulatory readiness
- Risk mitigation/ Back-up
- Leverage global teams
- Relationship building across the hubs
- Sector Specialisation
- Counterparty Relationships

Trading Desk Model



Delivers both internal and external efficiencies

Centralisation of trading

Across all trading hubs



Key area of focus

Trading centralisation & controls

- Standardised controls and processes
- Implement industry and regulatory best practice
- Preparedness for changing market structure and liquidity challenges
- Leverage counterparty relationships and influence
- Leverage internal flow to obtain better liquidity
- Bench-strength, back-up and continuity

Evolution of market structure

- Objective to protect and enhance liquidity to the funds in a structurally declining liquidity environment
- 4 pronged approach
 - Deeper relationships with key counterparties
 - Better pre-trade analysis and sector expertise
 - Develop buy-side to buy-side potential
 - Leverage technology for more efficient low-touch trading
- Integrating new platforms/venues into 1 eco-system with enhanced controls and STP

FI/FX Trading Overview



FX Roadmap



Strategy

- Simplify
- Increase Efficiency
- Risk Reduction
- More Disciplined
- Better Execution



Delivery

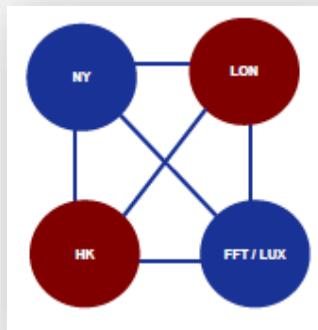
- Automated FX
- Platform Optimization
- Digitalization / TCA
- Cost Reduction
- Value Addition



▶ **Best-in-class Global FX Trading Service and Efficiency**

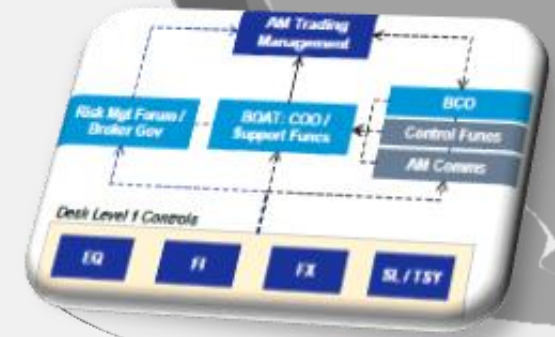
Collaboration

- FX Committee
- FX Treasury
- Global Hub
- TradeTech
- ECB / BVI



Control

- 3 LoD
- V & B
- P&P
- GSS
- MIFID 2



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