

**DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

**Condensed Interim Unaudited Report**

**For the financial period ended 31 December 2015**

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# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **GENERAL INFORMATION**

The following information is derived from and should be read in conjunction with the full text and definitions section of the Prospectus. The most recent Prospectus of the Company was issued on 8 September 2015.

Deutsche Global Liquidity Series p.l.c. (the "Company") is an investment company with variable capital incorporated on 30 March 2000 and is authorised in Ireland as an Undertaking for Collective Investment in Transferable Securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended), and under the Central Bank of Ireland (Supervision & Enforcement) Act 2013 (section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (together the "UCITS Regulations"). The Company is supervised by the Central Bank of Ireland ("the Central Bank") and is listed on the Irish Stock Exchange ("ISE") except for the following share classes: Deutsche Managed Dollar Fund Reserved share class and Z-Class Shares, Deutsche Managed Euro Fund Reserved share class and Z-Class Shares, Deutsche Managed Sterling Fund Reserved share class and Z-Class Shares, Deutsche Managed Euro Ultra Short Fixed Income Fund Institutional, Accumulate, Reserved share classes and Z-Class Shares and Deutsche Managed Sterling Ultra Short Fixed Income Fund Institutional, Accumulate, Reserved share classes and Z-Class Shares.

At 31 December 2015, the Company comprised of six separate Sub-Funds: Deutsche Managed Dollar Fund ("MDF"), Deutsche Managed Euro Fund ("MEF"), Deutsche Managed Sterling Fund ("MSF"), Deutsche Managed Euro Ultra Short Fixed Income Fund ("EUSFIF"), Deutsche Managed Dollar Treasury Fund ("MDTF") and Deutsche Managed Sterling Ultra Short Fixed Income Fund ("SUSFIF"). The MDTF was approved by the Central Bank on 19 December 2014. As at 31 December 2015, the MDTF had not launched.

The Company is structured as an umbrella investment company with segregated liability between Sub-Funds. Shares in different Sub-Funds may be established from time to time by the Directors with the prior consent of the Central Bank. Shares of more than one class may be issued in relation to a Sub-Fund. On the introduction of any new Sub-Fund (for which prior approval from the Regulator is required), the Company will prepare and the Directors will issue documentation setting out the relevant details of each such Sub-Fund. A separate portfolio of assets will be maintained for each Sub-Fund and will be invested in accordance with the investment objective applicable to such Sub-Fund.

## **PRICES**

There is a single price for buying, selling and exchanging shares in each Sub-Fund. This is represented by the Net Asset Value per Share.

## **MINIMUM INVESTMENT**

<b>Sub-Fund</b>	<b>Class</b>	<b>Minimum Initial Investment*</b>	<b>Minimum Holding*</b>	<b>Minimum Additional Investment*</b>
MDF	Platinum	US\$250,000,000	US\$250,000,000	US\$10,000
	Reserved	US\$100,000,000	US\$100,000,000	US\$10,000
	Advisory	US\$10,000,000	US\$10,000,000	US\$10,000
	Institutional	US\$1,000,000	US\$1,000,000	US\$10,000
	Investor	US\$10,000	US\$10,000	None
	Accumulate	US\$10,000,000	US\$10,000,000	US\$10,000
	Z-Class**	US\$1,000,000	US\$1,000,000	US\$10,000
MEF	Platinum	€250,000,000	€250,000,000	€10,000
	Reserved	€100,000,000	€100,000,000	€10,000
	Advisory	€10,000,000	€10,000,000	€10,000
	Institutional	€1,000,000	€1,000,000	€10,000
	Investor	€10,000	€10,000	None
	Accumulate	€10,000,000	€10,000,000	€10,000
	Z-Class**	€1,000,000	€1,000,000	€10,000
MSF	Platinum	UK£250,000,000	UK£250,000,000	UK£10,000
	Reserved	UK£100,000,000	UK£100,000,000	UK£10,000
	Advisory	UK£10,000,000	UK£10,000,000	UK£10,000
	Institutional	UK£1,000,000	UK£1,000,000	UK£10,000
	Investor	UK£10,000	UK£10,000	None
	Accumulate	UK£10,000,000	UK£10,000,000	UK£10,000
	Z-Class**	UK£1,000,000	UK£1,000,000	UK£10,000

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **GENERAL INFORMATION cont/d...**

### **MINIMUM INVESTMENT cont/d...**

<b>Sub-Fund</b>	<b>Class</b>	<b>Minimum Initial Investment*</b>	<b>Minimum Holding*</b>	<b>Minimum Additional Investment*</b>
EUSFIF	Accumulate	€1,000,000	€1,000,000	€10,000
	Reserved	€50,000,000	€50,000,000	€10,000
	Institutional	€1,000,000	€1,000,000	€10,000
	Z-Class**	€1,000,000	€1,000,000	€10,000
MDTF	Platinum	US\$250,000,000	US\$250,000,000	US\$10,000
	Reserved	US\$100,000,000	US\$100,000,000	US\$10,000
	Advisory	US\$10,000,000	US\$10,000,000	US\$10,000
	Institutional	US\$1,000,000	US\$1,000,000	US\$10,000
	Z-Class**	US\$1,000,000	US\$1,000,000	US\$10,000
SUSFIF	Accumulate	UK£1,000,000	UK£1,000,000	UK£10,000
	Reserved	UK£50,000,000	UK£50,000,000	UK£10,000
	Institutional	UK£1,000,000	UK£1,000,000	UK£10,000
	Z-Class**	UK£1,000,000	UK£1,000,000	UK£10,000

\*Subject to the discretion of the Directors.

\*\*Z-Class Shares are intended only for purchase by entities of Deutsche Asset & Wealth Management, or Collective Investment Schemes managed by members of Deutsche Asset & Wealth Management, or other related persons.

## **DEALING**

All Sub-Funds deal on every day (except a Saturday or a Sunday) upon which banks in London, New York and Dublin, the U.S. money markets and the New York Stock Exchange are open for business and on which the Target System is open provided that there shall be at least one dealing day per fortnight.

In addition, a business day/dealing day may also include, at the discretion of the Directors, the following Irish Holidays: Saint Patrick's Day (17 March if falling on a weekday, or if not, the holiday given on the next weekday in respect of Saint Patrick's Day), Easter Monday, the first Monday in May, the first Monday in June, the first Monday in August, the last Monday in October and 26 December (26 December if falling on a weekday, or if not, the holiday given on the next weekday in respect of Saint Stephen's Day). For MEF and MSF the Directors do not intend to include 26 December as a business/dealing day. In respect of MEF, EUSFIF and SUSFIF the Directors (in agreement with the Administrator) may in exceptional circumstances determine that a day on which the Target System is open shall not be a dealing day, provided, shareholders are notified in advance.

The 2016 Holiday Calendar is available on the website: <https://liquidity.deutscheam.com/EU/dgls.jsp>

The valuation point for MDF is the close of business in the relevant market on the dealing day. The valuation point for MEF, MSF, EUSFIF and SUSFIF is 1p.m. (Irish time) on each dealing day.

Applicants for the purchase, sale and exchange of shares in MDF may apply either (a) directly through the Administrator, in which case the dealing deadline is 4p.m. (New York time) or such earlier time as may be dictated by the closure of relevant exchanges and/or markets on the dealing day or (b) via the Administrator's U.S. agent, Deutsche Investment Management Americas Inc. ("DIMA"), in both cases the dealing deadline is 4 p.m. (New York time) or such earlier time as may be dictated by the closure of relevant exchanges and/or markets on the dealing day. Applications for the purchase, sale and exchange of shares in the MEF and MSF must be received and accepted by the Administrator before 1p.m. (Irish time) on the dealing day or such earlier time as may be dictated by the closure of relevant exchanges and/or markets on the dealing day. Applications for the purchase, sale and exchange of shares in the MEF, MSF, EUSFIF and SUSFIF must be received and accepted by the Administrator before the dealing deadline for the relevant dealing day unless otherwise approved by the Directors. In the case of repurchase(s) on the MEF and MSF settlement will normally be on the same dealing day, but in any event no later than ten business days after the relevant dealing day subject to receipt of completed repurchase documentation except in the event of a Standing Request.

In the case of repurchase(s) and subscriptions(s) on the EUSFIF and SUSFIF, settlement will occur on the business day which is two business days following the relevant dealing day, subject to receipt of completed repurchase documentation.

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **GENERAL INFORMATION cont/d...**

### **DEALING cont/d...**

All deals should be sent to:

State Street Fund Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

Tel: +353-1-776 8000  
Fax: +353-1-776 8491

### **Or in relation to the Managed Dollar Fund (for North American time zone dealing)**

DeAWM Distributor, Inc.  
222 South Riverside Plaza  
Chicago, IL 60606, USA

Sub-Transfer Agent:  
DST Systems Inc.  
333 West 11th Street  
Kansas City, MO 64105, USA

Phone: +1 816-435-6242  
Fax: +1 816-346-8311

### **DIVIDENDS**

The Directors intend to declare all net income on the dealing day as a dividend to Shareholders on record at the time of such declaration in an attempt to stabilise the Net Asset Value per Share at US\$1.00/€1.00/UK£1.00 for MDF, MEF and MSF, respectively, with the exception of the Accumulate Class Shares. Dividends will be declared daily and are payable monthly on or about the first business day of the following month.

For EUSIF and SUSIF, the Directors intend to declare all net income attributable to the Institutional and Reserved Class Shares on a monthly basis, on or about the first business day of each month, as a dividend to Shareholders of record at the time of such declaration. Dividends will be paid monthly on or about the fifth business day of each following month. For this purpose, net income (from the time immediately preceding determination thereof) shall consist of interest and dividends attributable to Institutional and Reserved Shares. Dividends payable to the Institutional and Reserved Class Shareholders will be re-invested each month by subscription for additional shares of the same class in the Sub-Fund unless Shareholders specifically request that dividends be paid by telegraphic transfer. Additional Shares will be issued to Shareholders at a price calculated in the same way as for other issues of the relevant class of Share on the same date. Accumulate Shares carry no right to any dividend. The net income attributable to Accumulate Shares shall be retained within the Sub-Fund and the value of Accumulate Shares may rise accordingly.

### **RECOGNITION FOR DISTRIBUTION IN THE UNITED KINGDOM ("U.K.")**

The Sub-Funds are recognised for distribution in the U.K. under the Financial Services and Markets Act, 2000. Most or all of the protections of the U.K. regulatory system may not apply. In addition, recourse to the U.K. Financial Services Compensation Scheme may not be available.

Details of the Financial Services Compensation Scheme are available from the distributor of the Sub-Funds in the U.K., Deutsche Asset Management Ltd, the Financial Conduct Authority or from the Scheme itself at Cottons Centre, Cotton Lane, London, SE1 2QB, United Kingdom.

## **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

### **GENERAL INFORMATION cont/d...**

#### **RECOGNITION FOR DISTRIBUTION IN GERMANY**

The MDF, MEF and EUSFIF are recognised for distribution in Germany. The following Sub-Funds are not recognised for distribution in Germany: MSF, MDTF and SUSFIF.

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED DOLLAR FUND**

### **Investment Manager's Report for the financial period ended 31 December 2015**

#### **Review and Highlights of the Period**

Despite concerns about global weakness and market volatility, U.S. economic growth remained on a modestly-above-trend pace, supported by solid domestic fundamentals sufficient to offset the drags from net exports and the temporary inventory correction. This moderate pace continued to move the economy back toward full employment.

U.S. real Gross Domestic Product ("GDP") increased at an annual rate of 2.1% in Quarter 3 2015 compared to 3.9% in Quarter 2. And although there was a deceleration in GDP from Quarter 2 to Quarter 3, growth in Quarter 3 primarily reflected positive contributions from personal consumption expenditures (1.3%), non-residential and residential fixed investment, exports, and state and local government spending.

The turbulence experienced during the second half of 2015 stemmed from concerns about China's growth and plunging commodity prices. Additionally, interest rate uncertainty caused bouts of volatility in global financial markets which induced a roller coaster ride for short-term rates. As markets priced in a 50/50 chance of a Fed rate hike in September, front-end rates responded with a major sell-off. 3-month Libor, 1-yr and 2-yr UST yields hit multi-year highs of 0.345%, 0.46%, 0.81%, respectively. Ultimately, weakness in China and emerging markets influenced The Fed's decision to not raise rates at September's Federal Open Market Committee ("FOMC") meeting citing risks to US growth and inflation. The Fed's message was viewed as surprisingly dovish as they lowered both fed funds rate projections and GDP forecasts for the next few years. Short-term fixed income markets re-priced markedly with 6-month – 2-yr UST yields ↓ 23 – 26 bps and 3mL ↓ 3 bps. Markets were stable until the October FOMC meeting when the Fed was surprisingly hawkish as it dropped reference to the potential impacts on U.S. growth and inflation from global financial developments. Given the Fed's hawkish tone, the markets experienced a back-up in front end rates in anticipation of a year-end rate hike.

Finally, in December, The Federal Reserve ended a seven-year long, zero interest policy with a 25bp increase in the target range for the federal funds rate. The threat of FOMC's large \$2T Repo Facility successfully forced overnight rates higher. How much further the Fed may raise the funds rate depends on economic conditions and the assessment of the level of the real, or inflation adjusted, 'neutral' rate.

#### **Fund Strategy**

Complicated macroeconomic issues caused uncertainty around the timing of the first hike, and we maintained our conservative approach to duration and credit. The fund's duration rolled down from a neutral stance (Weighted Average Maturity ("WAM") of 40 – 45 days) to a shorter WAM target of 28 – 33 days during H2. Primary investments focused on short fixed rate maturity paper and an increase of floating rate paper. As a result, the fund was well positioned for the December rate hike with a short WAM and ample liquidity while taking advantage of widening spreads and Libors in floating rate product.

#### **Performance and Net Assets**

During H22015, the Dollar fund's AUM was ↓2.72% to \$14.451 billion. In Q4, given some client flow activity, AUM increased ↑ 34% nearly back to the all-time high of \$17 billion before year-end redemptions.

The 1-year net and gross returns vs the benchmark (iMoneyNet Offshore MFR US Dollar Avg): The fund's 1-year net return as of December 31, 2015 was 0.8% vs 0.7% and the 1-year gross return was 0.26% vs 0.21%.

#### **Outlook for the Fund for the next six months**

As we look ahead, developments in the labor market and on the wage and price fronts will remain paramount. Inflation itself does not need to return fully to target to prompt additional Fed action; continued progress in the labor market will likely suffice, at least for a while, especially if it is accompanied by further signs that wages are beginning to stir, that the economy's underlying growth momentum is solid, and that financial conditions and global risks remain quiescent. But, if inflation persistently behaves in ways that makes policymakers begin to question their forecasts of its eventual return to target, that could eventually cause them to reevaluate. Additionally, a larger-than-expected slowdown in net exports is a possible downside risk, given the USD's appreciation in 2015 and uncertainties about the trajectory of global growth. A more vigorous expansion of consumer spending is a possible upside risk. Weakness in crude oil prices has led to further declines in average gasoline prices. US consumers will spend about USD100bn less on gasoline in 2015 compared to 2014. This is a windfall that could lead to another step-up in the growth of consumption spending.

## **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

### **DEUTSCHE MANAGED DOLLAR FUND**

Investment Manager's Report for the financial period ended 31 December 2015 cont/d...

Outlook for the Fund for the next six months cont/d...

<b>December 2015</b>	<b>1 month</b>	<b>3 months</b>	<b>6 months</b>	<b>1 year</b>	<b>2 years</b>	<b>3 years</b>	<b>5 years</b>
<b>Managed Dollar Advisory</b>	0.19%	0.14%	0.11%	0.08%	0.05%	0.05%	0.08%
<b>1 week U.S. Dollar LIBID</b>	0.18%	0.08%	0.05%	0.04%	0.02%	0.02%	0.04%
<b>Difference</b>	<b>0.01%</b>	<b>0.06%</b>	<b>0.06%</b>	<b>0.04%</b>	<b>0.03%</b>	<b>0.03%</b>	<b>0.04%</b>

Deutsche AWM International GmbH

February 2016

# DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

## DEUTSCHE MANAGED DOLLAR FUND

### Portfolio of Investments as at 31 December 2015

Nominal	Security	Credit Rating	Coupon %	Maturity	Classification	Market Value US\$	Fund %
<b>Agency Securities - 2.42% (June 2015 – 1.11%)</b>							
25,000,000	Federal Farm Credit Discount Notes	A-1+	0.29	13/05/2016	(a)	24,973,819	0.17
15,000,000	Federal Home Loan Bank	A-1+	0.37	01/02/2016	(a)	15,001,477	0.10
32,000,000	Federal Home Loan Bank	A-1+	0.25	07/03/2016	(a)	31,986,000	0.23
25,000,000	Federal Home Loan Bank Discount Notes	A-1+	0.01	09/02/2016	(a)	24,993,375	0.17
25,000,000	Federal Home Loan Bank Discount Notes	A-1+	0.01	16/02/2016	(a)	24,991,938	0.17
25,000,000	Federal Home Loan Bank Discount Notes	A-1+	0.01	19/02/2016	(a)	24,992,014	0.17
10,000,000	Federal Home Loan Bank Discount Notes	A-1+	0.30	08/03/2016	(a)	9,994,667	0.07
25,000,000	Federal Home Loan Bank Discount Notes	A-1+	0.01	09/03/2016	(a)	24,978,559	0.17
15,000,000	Federal Home Loan Bank Discount Notes	A-1+	0.01	24/03/2016	(a)	14,991,667	0.10
20,000,000	Federal Home Loan Bank Discount Notes	A-1+	0.01	09/05/2016	(a)	19,974,100	0.14
18,500,000	Federal Home Loan Bank Discount Notes	A-1+	0.01	16/05/2016	(a)	18,474,712	0.13
25,000,000	Federal Home Loan Bank Discount Notes	A-1+	0.30	25/05/2016	(a)	24,970,417	0.17
25,000,000	Federal Home Loan Bank Discount Notes	A-1+	0.01	13/06/2016	(a)	24,944,097	0.17
30,000,000	Federal Home Loan Bank Discount Notes	A-1+	0.01	28/06/2016	(a)	29,954,533	0.21
35,000,000	Federal Home Loan Bank Discount Notes	A-1+	0.01	01/07/2016	(a)	34,928,400	0.25
						<b>350,149,775</b>	<b>2.42</b>
<b>Asset Backed Securities – 0.17% (June 2015 – Nil)</b>							
9,498,066	Chrysler Capital Auto Receivables Trust 2015-B	A-1+	0.29	15/11/2016	(a)	9,498,066	0.07
15,697,006	Ford Credit Auto Lease Trust 2015-B	A-1+	0.37	15/11/2016	(a)	15,697,006	0.10
						<b>25,195,072</b>	<b>0.17</b>
<b>Certificates of Deposit – 24.58% (June 2015 – 15.59%)</b>							
25,000,000	Banco Del Estado De Chile	A-1+	0.52	29/02/2016	(a)	25,000,000	0.17
39,312,000	Banco Del Estado De Chile	A-1+	0.65	29/02/2016	(a)	39,312,000	0.27
75,000,000	Banco Del Estado De Chile	A-1+	0.57	28/04/2016	(a)	75,000,000	0.52
35,000,000	Banco Del Estado De Chile	A-1+	0.50	06/05/2016	(a)	35,000,000	0.24
60,500,000	Bank of Montreal	A-1	0.30	04/01/2016	(a)	60,500,000	0.42
35,000,000	Bank of Montreal	A-1	0.56	18/04/2016	(a)	35,000,000	0.24
25,000,000	Bank of Nova Scotia	A-1	0.55	18/03/2016	(a)	25,000,000	0.17
44,250,000	Bank of Nova Scotia	A-1	0.61	28/04/2016	(a)	44,250,000	0.31
1,750,000	Bank of Nova Scotia	A-1	0.67	10/06/2016	(a)	1,749,644	0.01
60,000,000	Bank of Nova Scotia	A-1	0.64	23/11/2016	(a)	60,000,000	0.42
135,000,000	Canadian Imperial Bank of Commerce	A-1	0.65	30/06/2016	(a)	135,000,000	0.93
98,500,000	Canadian Imperial Bank of Commerce	A-1	0.52	17/08/2016	(a)	98,486,291	0.68
50,000,000	Deutsche Zentral Bank	A-1+	0.36	04/01/2016	(a)	50,000,000	0.35
85,000,000	Deutsche Zentral Bank	A-1+	0.38	29/01/2016	(a)	85,000,000	0.59

# DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

## DEUTSCHE MANAGED DOLLAR FUND

### Portfolio of Investments as at 31 December 2015 cont/d...

Nominal	Security	Credit Rating	Coupon %	Maturity	Classification	Market Value US\$	Fund %
<b>Certificates of Deposit – 24.58% (June 2015 – 15.59%) cont/d...</b>							
50,000,000	Deutsche Zentral Bank	A-1+	0.40	11/02/2016	(a)	50,000,000	0.35
97,250,000	Dexia Credit Local	A-1+	0.43	04/05/2016	(a)	97,250,000	0.67
100,000,000	Dexia Credit Local	A-1+	0.65	19/05/2016	(a)	100,000,000	0.69
24,500,000	Mitsubishi UFJ Trust and Banking	A-1	0.38	19/01/2016	(a)	24,500,000	0.17
20,000,000	Mizuho Bank	A-1	0.29	20/01/2016	(a)	20,000,000	0.14
50,000,000	Mizuho Bank	A-1	0.30	11/02/2016	(a)	50,000,000	0.35
35,000,000	Mizuho Bank	A-1	0.40	17/02/2016	(a)	35,000,000	0.24
100,000,000	Nordea Bank	A-1+	0.47	12/02/2016	(a)	100,000,000	0.69
20,000,000	Nordea Bank	A-1+	0.50	09/03/2016	(a)	20,000,000	0.14
95,000,000	Nordea Bank	A-1+	0.45	18/03/2016	(a)	95,000,000	0.66
50,000,000	Nordea Bank	A-1+	0.49	13/05/2016	(a)	50,000,000	0.35
75,000,000	Norinchukin Bank	A-1	0.31	19/01/2016	(a)	75,000,935	0.52
50,000,000	Rabobank	A-1	0.57	25/01/2016	(a)	50,000,000	0.35
85,000,000	Rabobank	A-1	0.43	04/03/2016	(a)	85,000,000	0.59
50,000,000	Rabobank	A-1	0.50	14/04/2016	(a)	50,000,000	0.35
110,500,000	Rabobank	A-1	0.58	19/05/2016	(a)	110,500,000	0.76
35,000,000	Royal Bank of Canada	A-1+	0.71	02/05/2016	(a)	35,000,000	0.24
52,500,000	Royal Bank of Canada	A-1+	0.46	12/05/2016	(a)	52,500,000	0.36
89,000,000	Royal Bank of Canada	A-1+	0.45	31/08/2016	(a)	88,913,738	0.62
62,000,000	Royal Bank of Canada	A-1+	0.57	14/10/2016	(a)	62,000,000	0.43
150,000,000	Skandinaviska Enskilda Banken	A-1	0.47	11/02/2016	(a)	150,000,000	1.04
100,000,000	State Street Bank and Trust Company	A-1+	0.60	20/05/2016	(a)	100,000,000	0.69
35,000,000	Sumitomo Mitsui Banking Corporation	A-1	0.35	12/02/2016	(a)	35,000,000	0.24
75,000,000	Sumitomo Mitsui Banking Corporation	A-1	0.40	18/02/2016	(a)	75,000,000	0.52
95,000,000	Sumitomo Mitsui Banking Corporation	A-1	0.54	16/03/2016	(a)	95,000,000	0.66
75,000,000	Svenska Handelsbanken	A-1+	0.50	29/02/2016	(a)	75,000,582	0.52
50,000,000	Svenska Handelsbanken	A-1+	0.49	15/04/2016	(a)	50,000,000	0.35
200,000,000	Svenska Handelsbanken	A-1+	0.60	19/05/2016	(a)	200,000,000	1.38
90,000,000	Swedbank	A-1	0.45	10/03/2016	(a)	90,000,000	0.62
120,000,000	Toronto Dominion Bank	A-1+	0.43	02/03/2016	(a)	120,000,000	0.83
79,000,000	Toronto Dominion Bank	A-1+	0.75	03/06/2016	(a)	79,000,000	0.55
25,000,000	Wells Fargo Bank	A-1+	0.46	11/04/2016	(a)	25,000,000	0.17
22,000,000	Wells Fargo Bank	A-1+	0.39	03/06/2016	(a)	22,000,000	0.15
170,000,000	Wells Fargo Bank	A-1+	0.72	10/06/2016	(a)	170,000,000	1.17
135,500,000	Wells Fargo Bank	A-1+	0.65	01/07/2016	(a)	135,500,000	0.94
75,500,000	Wells Fargo Bank	A-1+	0.57	13/10/2016	(a)	75,500,000	0.52
35,000,000	Westpac Banking Corporation	A-1+	0.55	27/05/2016	(a)	35,000,000	0.24
						<b>3,551,963,190</b>	<b>24.58</b>
<b>Commercial Papers – 32.81% (June 2015 – 45.62%)</b>							
60,000,000	Albion Capital	A-1	0.00	20/01/2016	(a)	59,990,667	0.42
23,600,000	ASB Finance	A-1+	0.43	05/01/2016	(a)	23,600,000	0.16
39,000,000	Australia & New Zealand Banking Group	A-1+	0.44	15/01/2016	(a)	39,000,008	0.27
70,000,000	Bank Nederlandse Gemeenten	A-1+	0.52	25/02/2016	(a)	70,000,000	0.48
140,000,000	Bank Nederlandse Gemeenten	A-1+	0.00	04/03/2016	(a)	139,911,333	0.96
105,000,000	Bank Nederlandse Gemeenten	A-1+	0.44	06/05/2016	(a)	105,000,000	0.73
110,000,000	Bank of Nova Scotia	A-1	0.57	12/02/2016	(a)	110,000,000	0.76
20,000,000	Bedford Row Funding	A-1+	0.35	14/01/2016	(a)	20,000,000	0.14
22,500,000	Bedford Row Funding	A-1+	0.00	01/04/2016	(a)	22,471,950	0.16
40,000,000	Bedford Row Funding	A-1+	0.42	08/04/2016	(a)	40,000,000	0.28

# DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

## DEUTSCHE MANAGED DOLLAR FUND

### Portfolio of Investments as at 31 December 2015 cont/d...

Nominal	Security	Credit Rating	Coupon %	Maturity	Classification	Market Value US\$	Fund %
<b>Commercial Papers – 32.81% (June 2015 – 45.62%) cont/d...</b>							
50,000,000	Bedford Row Funding	A-1+	0.52	12/04/2016	(a)	50,000,000	0.35
74,000,000	Bedford Row Funding	A-1+	0.60	18/07/2016	(a)	74,000,000	0.51
97,500,000	Bennington Stark Capital	A-1	0.00	01/02/2016	(a)	97,469,667	0.67
22,000,000	BMW US Capital	A-1	0.00	04/01/2016	(a)	22,000,000	0.15
1,000,000	BMW US Capital	A-1	0.00	25/01/2016	(a)	999,883	0.01
80,500,000	BNZ International Funding	A-1+	0.56	28/01/2016	(a)	80,500,000	0.56
30,000,000	BNZ International Funding	A-1+	0.50	14/06/2016	(a)	29,997,252	0.21
58,152,000	Caisse Centrale Desjardins	A-1	0.00	13/01/2016	(a)	58,147,875	0.40
135,500,000	Caisse des Dépôts	A-1+	0.00	16/02/2016	(a)	135,449,827	0.94
50,000,000	Caisse des Dépôts	A-1+	0.00	15/03/2016	(a)	49,965,979	0.35
75,000,000	Chevron Corporation	A-1+	0.00	05/02/2016	(a)	74,973,333	0.52
	China Construction Bank						
1,000,000	Corporation	A-1	0.00	04/01/2016	(a)	1,000,000	0.01
40,000,000	CNPC Finance	A-1	0.00	11/01/2016	(a)	39,995,956	0.28
40,000,000	Coca-Cola	A-1+	0.00	18/03/2016	(a)	39,958,067	0.28
98,800,000	Collateralized Commercial Paper II	A-1	0.52	14/03/2016	(a)	98,800,000	0.68
63,500,000	Collateralized Commercial Paper II	A-1	0.00	05/04/2016	(a)	63,422,107	0.44
90,000,000	Collateralized Commercial Paper II	A-1	0.00	06/04/2016	(a)	89,888,400	0.62
5,650,000	Commonwealth Bank of Australia	A-1+	0.53	22/02/2016	(a)	5,649,928	0.04
45,000,000	Commonwealth Bank of Australia	A-1+	0.52	26/02/2016	(a)	44,999,332	0.31
25,000,000	Commonwealth Bank of Australia	A-1+	0.42	04/03/2016	(a)	25,000,000	0.17
75,000,000	Commonwealth Bank of Australia	A-1+	0.38	07/04/2016	(a)	74,998,793	0.52
25,000,000	Commonwealth Bank of Australia	A-1+	0.40	29/04/2016	(a)	24,999,261	0.17
25,000,000	Commonwealth Bank of Australia	A-1+	0.40	04/05/2016	(a)	25,000,000	0.17
85,000,000	CPPIB Capital	A-1+	0.00	01/02/2016	(a)	84,980,167	0.59
95,000,000	Credit Suisse	A-1	0.00	12/04/2016	(a)	94,858,925	0.66
50,000,000	Crown Point Capital	A-1	0.00	14/03/2016	(a)	49,939,722	0.35
125,000,000	Crown Point Capital	A-1	0.72	25/08/2016	(a)	125,000,000	0.86
24,000,000	DBS Bank	A-1+	0.00	07/01/2016	(a)	23,999,100	0.17
70,000,000	DBS Bank	A-1+	0.00	28/01/2016	(a)	69,984,133	0.48
50,000,000	Erste Abwicklungsanstalt	A-1+	0.00	03/02/2016	(a)	49,986,250	0.35
16,304,000	Erste Abwicklungsanstalt	A-1+	0.00	18/02/2016	(a)	16,297,275	0.11
65,000,000	Erste Abwicklungsanstalt	A-1+	0.51	17/03/2016	(a)	64,998,696	0.45
75,000,000	Erste Abwicklungsanstalt	A-1+	0.00	04/04/2016	(a)	74,899,521	0.52
55,000,000	Erste Abwicklungsanstalt	A-1+	0.48	13/04/2016	(a)	55,000,000	0.38
48,000,000	Export Development Canada	A-1+	0.00	11/01/2016	(a)	47,996,453	0.33
50,000,000	Exxon Mobil Corporation	A-1+	0.00	19/01/2016	(a)	49,991,667	0.35
100,000,000	Exxon Mobil Corporation	A-1+	0.00	01/02/2016	(a)	99,965,000	0.69
24,750,000	Henkel	A-1	0.00	04/03/2016	(a)	24,732,675	0.17
15,000,000	Henkel	A-1	0.00	09/03/2016	(a)	14,988,490	0.10
110,000,000	HSBC Bank	A-1+	0.68	24/06/2016	(a)	110,000,000	0.76
50,000,000	Kells Funding	A-1+	0.00	08/01/2016	(a)	49,997,778	0.35
35,000,000	Kells Funding	A-1+	0.37	02/02/2016	(a)	34,990,414	0.24
121,015,000	Kells Funding	A-1+	0.00	03/03/2016	(a)	120,947,568	0.84
80,000,000	Kells Funding	A-1+	0.00	14/03/2016	(a)	79,937,778	0.55
49,200,000	LMA Americas	A-1	0.00	04/01/2016	(a)	49,200,000	0.34
25,000,000	Macquarie Bank	A-1	0.53	01/03/2016	(a)	25,000,000	0.17
100,000,000	Macquarie Bank	A-1	0.65	21/03/2016	(a)	100,000,000	0.69
59,750,000	Manhattan Asset Funding	A-1	0.00	21/01/2016	(a)	59,741,535	0.41
50,000,000	Metlife Short Term Funding	A-1+	0.00	29/04/2016	(a)	49,935,556	0.35
17,973,000	Natixis	A-1	0.00	01/02/2016	(a)	17,967,618	0.12
95,000,000	Nederlandse Waterschapsbank	A-1+	0.53	18/03/2016	(a)	95,000,000	0.66
115,000,000	Nestlé Capital Corporation	A-1+	0.00	25/02/2016	(a)	114,955,150	0.80
125,000,000	Old Line Funding	A-1+	0.50	08/02/2016	(a)	125,000,000	0.85

# DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

## DEUTSCHE MANAGED DOLLAR FUND

### Portfolio of Investments as at 31 December 2015 cont/d...

Nominal	Security	Credit Rating	Coupon %	Maturity	Classification	Market Value US\$	Fund %
<b>Commercial Papers – 32.81% (June 2015 – 45.62%) cont/d...</b>							
35,000,000	Old Line Funding	A-1+	0.61	22/03/2016	(a)	35,000,000	0.24
60,000,000	Old Line Funding	A-1+	0.00	12/04/2016	(a)	59,920,800	0.41
30,000,000	Old Line Funding	A-1+	0.00	02/05/2016	(a)	29,935,542	0.21
25,000,000	PSP Capital	A-1+	0.00	08/01/2016	(a)	24,998,833	0.17
50,000,000	PSP Capital	A-1+	0.00	02/03/2016	(a)	49,976,639	0.35
17,873,000	Rabobank	A-1	0.00	19/02/2016	(a)	17,865,692	0.12
30,000,000	Rabobank	A-1	0.00	14/03/2016	(a)	29,975,792	0.21
82,000,000	Regency Markets No.1	A-1	0.00	20/01/2016	(a)	81,983,600	0.57
75,000,000	Sinopec Century Bright Capital Investment	A-1+	0.00	11/01/2016	(a)	74,992,708	0.52
13,770,000	Skandinaviska Enskilda Banken	A-1	0.00	16/02/2016	(a)	13,764,572	0.10
85,000,000	Standard Chartered Bank	A-1	0.42	08/01/2016	(a)	84,996,033	0.59
110,000,000	Standard Chartered Bank	A-1	0.00	13/01/2016	(a)	109,989,000	0.76
97,500,000	Standard Chartered Bank	A-1	0.00	05/04/2016	(a)	97,375,417	0.67
44,250,000	Swedbank	A-1+	0.00	15/03/2016	(a)	44,209,855	0.31
50,000,000	Thunder Bay Funding	A-1	0.48	08/03/2016	(a)	50,000,000	0.35
25,000,000	Victory Receivables	A-1	0.00	20/01/2016	(a)	24,995,444	0.17
44,000,000	Working Capital	A-1	0.00	11/01/2016	(a)	43,996,578	0.30
50,000,000	Working Capital	A-1	0.00	15/01/2016	(a)	49,993,125	0.35
						<b>4,741,450,719</b>	<b>32.81</b>
<b>Corporate Bonds – 9.34% (June 2015 – 1.15%)</b>							
144,675,000	American Honda Finance Corporation	A-1	0.65	29/07/2016	(a)	144,663,516	1.01
15,000,000	Bank of Nova Scotia	A-1	2.90	29/03/2016	(a)	15,081,515	0.10
43,740,000	Bank of Nova Scotia	A-1	0.42	07/06/2016	(a)	43,740,000	0.30
28,500,000	Bank of Nova Scotia	A-1	0.68	20/06/2016	(a)	28,511,295	0.20
39,725,000	Canadian Imperial Bank of Commerce	A-1	0.70	26/08/2016	(a)	39,701,573	0.27
61,298,000	Cisco Systems	A-1	5.50	22/02/2016	(a)	61,710,022	0.43
22,000,000	Commonwealth Bank of Australia	A-1+	0.62	03/06/2016	(a)	22,009,866	0.15
52,900,000	European Investment Bank	A-1+	10.00	05/05/2016	(a)	54,512,273	0.38
274,325,000	GE Capital International Funding	A-1+	0.96	15/04/2016	(a)	274,624,606	1.91
189,000,000	GE Capital International Funding	A-1+	0.96	15/04/2016	(a)	189,207,825	1.31
8,969,000	General Electric Capital	A-1	1.00	08/01/2016	(a)	8,969,566	0.06
60,000,000	Home Depot	A-1	5.40	01/03/2016	(a)	60,456,758	0.42
88,750,000	JP Morgan Chase Bank	A-1	0.48	22/11/2016	(a)	88,750,000	0.61
1,500,000	Nordea Bank	A-1+	0.82	13/05/2016	(a)	1,501,169	0.01
42,250,000	Oracle Corporation	A-1+	5.25	15/01/2016	(a)	42,311,630	0.29
26,250,000	Statoil	A-1+	7.38	01/05/2016	(a)	26,817,531	0.19
99,460,000	Svenska Handelsbanken	A-1+	1.02	21/03/2016	(a)	99,539,366	0.69
39,402,000	Total Capital	A-1+	0.70	15/01/2016	(a)	39,406,457	0.27
49,750,000	Toyota Motor Credit	A-1+	0.60	23/09/2016	(a)	49,726,466	0.34
55,000,000	Wal-Mart Stores	A-1+	5.31	01/06/2016	(a)	56,101,847	0.39
1,900,000	Wells Fargo Bank	A-1+	0.57	02/06/2016	(a)	1,900,472	0.01
						<b>1,349,243,753</b>	<b>9.34</b>
<b>Depository Notes - Nil (June 2015 – 1.58%)</b>							
<b>Floating Rate Notes - Nil (June 2015 – 6.54%)</b>							
<b>Medium Term Notes - Nil (June 2015 – 3.30%)</b>							
<b>Repurchase Agreements - 3.46% (June 2015 – 2.36%)</b>							
350,000,000	BNP Paribas	A-1+	0.42	04/01/2016		350,000,000	2.42
150,000,000	BNP Paribas	A-1	0.30	04/01/2016		150,000,000	1.04

# DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

## DEUTSCHE MANAGED DOLLAR FUND

### Portfolio of Investments as at 31 December 2015 cont/d...

Nominal	Security	Credit Rating	Coupon %	Maturity	Class-ification	Market Value US\$	Fund %
<b>Repurchase Agreements - 3.46% (June 2015 – 2.36%) cont/d...</b>						<b>500,000,000</b>	<b>3.46</b>
<b>Time Deposits – 18.26% (June 2015 – 20.09%)</b>							
	Australia And New Zealand						
600,000,000	Banking Group	A-1+	0.20	04/01/2016		600,000,000	4.15
614,236,702	Credit Agricole	A-1	0.25	04/01/2016		614,236,702	4.24
550,000,000	Mitsubishi UFJ Trust and Banking	A-1	0.15	04/01/2016		550,000,000	3.81
300,000,000	Nordea Bank	A-1+	0.15	04/01/2016		300,000,000	2.08
400,000,000	Swedbank	A-1	0.12	04/01/2016		400,000,000	2.77
175,000,000	United Overseas Bank	A-1+	0.18	04/01/2016		175,000,000	1.21
						<b>2,639,236,702</b>	<b>18.26</b>
<b>Treasury Bills – 0.18% (June 2015 – Nil)</b>							
25,000,000	United States Treasury Bill	A-1+	0.01	24/03/2016	(a)	24,990,750	0.18
						<b>24,990,750</b>	<b>0.18</b>
<b>Treasury Notes – 0.83% (June 2015 – 0.24%)</b>							
50,000,000	United States Treasury Note	A-1+	0.38	15/03/2016	(a)	50,016,178	0.35
25,000,000	United States Treasury Note	A-1+	2.63	30/04/2016	(a)	25,186,417	0.17
20,000,000	United States Treasury Note	A-1+	2.00	30/04/2016	(a)	20,108,448	0.14
25,000,000	United States Treasury Note	A-1+	0.63	15/07/2016	(a)	25,042,282	0.17
						<b>120,353,325</b>	<b>0.83</b>
<b>Total Investment</b>						<b>13,302,583,286</b>	<b>92.05</b>
Other Net Assets						1,148,538,797	7.95
<b>Net Assets attributable to holders of redeemable participating shares</b>						<b>14,451,122,083</b>	<b>100.00</b>

	31/12/15	30/06/15
Net Asset Value	US\$14,451,122,083	US\$14,854,995,343
Number of Shares in issue - Platinum Shares	9,128,608,227	9,463,904,592
Advisory Shares	4,312,082,880	4,236,947,545
Institutional Shares	243,679,329	253,972,887
Investor Shares	468,337,396	407,317,470
Accumulate Shares	21,326	34,663
Reserved Shares	84,103,489	144,721,942
Net Asset Value per Share - Platinum Shares	US\$1.00	US\$1.00
Advisory Shares	US\$1.00	US\$1.00
Institutional Shares	US\$1.00	US\$1.00
Investor Shares	US\$1.00	US\$1.00
Accumulate Shares	US\$10,049.41	US\$10,043.29
Reserved Shares	US\$1.00	US\$1.00

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED DOLLAR FUND**

**Portfolio of Investments as at 31 December 2015 cont/d...**

### **Analysis of total assets**

Transferable securities and money market traded on  
a regulated market (ref (a) above)

Deposits held with Credit Institutions

Other Current Assets

**% of total gross  
assets**

70.21

21.69

8.10

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100.00

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# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED DOLLAR FUND**

### **Significant Portfolio Changes since 1 July 2015**

The following Statement of Changes in the Portfolio reflect the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals greater than 1% of the total sales in the financial period. At a minimum the largest 20 purchases and sales are required to be disclosed, if applicable.

<b>MAJOR PURCHASES*</b>	<b>COUPON %</b>	<b>MATURITY</b>	<b>COST US\$</b>
CIC Eurosecurities	0.37	31/12/2015	650,000,000
Crédit Industriel et Commercial	0.14	04/08/2015	650,000,000
Federal Reserve Bank of New York	0.13	29/10/2015	650,000,000
Federal Reserve Bank of New York	0.12	25/11/2015	650,000,000
Federal Reserve Bank of New York	0.12	30/11/2015	650,000,000
Natixis Grand Cayman	0.35	18/12/2015	650,000,000
Natixis Grand Cayman	0.13	04/08/2015	650,000,000
Natixis New York	0.35	29/12/2015	650,000,000
Standard Chartered Bank London	0.13	04/08/2015	650,000,000
U.S. Bank	0.11	05/08/2015	650,000,000
Australia & New Zealand Banking Group	0.12	09/12/2015	625,000,000
CIC Eurosecurities	0.15	25/08/2015	625,000,000
CIC Eurosecurities	0.15	26/08/2015	625,000,000
CIC Eurosecurities	0.15	27/08/2015	625,000,000
CIC Eurosecurities	0.15	28/08/2015	625,000,000
CIC Eurosecurities	0.15	31/08/2015	625,000,000
CIC Eurosecurities	0.09	01/09/2015	625,000,000
CIC Eurosecurities	0.15	02/09/2015	625,000,000
CIC Eurosecurities	0.15	03/09/2015	625,000,000
CIC Eurosecurities	0.15	04/09/2015	625,000,000

<b>MAJOR SALES*</b>	<b>COUPON %</b>	<b>MATURITY</b>	<b>PROCEEDS US\$</b>
CIC Eurosecurities	0.37	31/12/2015	650,000,000
Crédit Industriel et Commercial	0.14	04/08/2015	650,000,000
Natixis	0.13	29/10/2015	650,000,000
Federal Reserve Bank of New York	0.12	25/11/2015	650,000,000
Federal Reserve Bank of New York	0.12	30/11/2015	650,000,000
Natixis New York	0.35	18/12/2015	650,000,000
Natixis Grand Cayman	0.13	04/08/2015	650,000,000
Natixis New York	0.35	29/12/2015	650,000,000
Natixis Grand Cayman	0.13	04/08/2015	650,000,000
U.S. Bank	0.11	05/08/2015	650,000,000
Australia & New Zealand Banking Group	0.12	09/12/2015	625,000,000
CIC Eurosecurities	0.15	25/08/2015	625,000,000
CIC Eurosecurities	0.15	26/08/2015	625,000,000
CIC Eurosecurities	0.15	27/08/2015	625,000,000
CIC Eurosecurities	0.15	28/08/2015	625,000,000
CIC Eurosecurities	0.15	31/08/2015	625,000,000
CIC Eurosecurities	0.15	01/09/2015	625,000,000
CIC Eurosecurities	0.15	02/09/2015	625,000,000
CIC Eurosecurities	0.15	03/09/2015	625,000,000
CIC Eurosecurities	0.15	04/09/2015	625,000,000
CIC Eurosecurities	0.37	31/12/2015	650,000,000

\* All of the above purchases and sales are time deposits.

Copies of all portfolio changes are available, free of charge, from the registered office of the Company and the Information Agent in the Netherlands.

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED EURO FUND**

### **Investment Manager's Report for the financial period ended 31 December 2015**

#### **Review and Highlights of the Period**

The final estimate of euro area Quarter 3, 2015, Gross Domestic Product ("GDP") was revised up slightly to 0.4% quarter on quarter on the back of upward revisions to Italian and Greek Quarter 3 growth. Euro area Quarter 2, 2015, GDP was also revised up 0.1pp to 0.5% quarter on quarter, pushing the 2015 GDP forecast to 1.5% year on year vs. 1.3% year on year previously.

Looking at the expenditure breakdown, the main positive surprise came from net trade, which recorded the strongest contribution to growth since Quarter 4, 2013. This positive performance was driven by stronger exports, which likely benefitted from the positive impact of past euro depreciation, while imports slowed slightly, in line with domestic demand. The contribution of the latter to growth was significantly lower than in Quarter 1 (+0.2pp from +0.6pp in Quarter 1), mostly owing to a sharp drop in investment, while private and government consumption growth also decelerated.

National Industrial Production ("IP") data for July were mixed across countries, as Germany and France disappointed, while Italian and Spanish IP surprised to the upside. A rebound in construction drove the moderate rise in German IP, while all manufacturing subcategories fell markedly in France.

Euro area IP rebounded in July by 0.6% month on month. This is in line with resilient manufacturing business surveys so far, which suggest that industrial production should recover in Quarter 3, 2015 and positively contribute to growth, despite the expected slowdown in most Emerging Market ("EM") countries.

The European Central Bank ("ECB") in its regular monetary policy meeting kept policy rates unchanged but decided to increase the issue share limit for the Public Sector Purchased Programme ("PSPP") from 25% to 33% (subject to case-by-case verification that this would not create a case of blocking minority power). Moreover, during the press conference, President Draghi insisted on the willingness, readiness and ability of the Governing Council ("GC") to do more if needed, by using "all the instruments available within its mandate".

The ECB revised downwards growth and inflation projections for 2015-2017 in its September quarterly macroeconomic outlook update. Inflation was revised materially downwards to 0.1% this year, 1.1% in 2016 and 1.7% in 2017, in line with changes in exchange rates and oil prices over the summer. Moreover, the GC sees inflation risks to the downside, which is very unusual as risks around the projections for inflation are generally considered to be "balanced".

Around 1 million migrants have entered the European Union ("EU") in 2015 and thousands more are expected in the quarters ahead. In his speech on the state of the Union, European Commission President Juncker has unveiled a plan for bold, concerted action, with the proposal that 160,000 refugees are shared across the EU in a compulsory quota scheme.

Juncker also stressed the role of the European Commission in preserving the integrity of the euro area, and justified a political approach in the resolution of the Greek crisis. He called for further union and more action to boost jobs and growth and safeguard the integrity of European Monetary Union ("EMU"). The EC will present ambitious proposals in the coming weeks along the lines of the five presidents' report, starting with completing the Banking Union with a common deposit guarantee scheme, and some progress towards a political union in the euro area, a proposal which has already been rejected by German Finance Minister Schäuble.

The liquidity surplus reached €500 billion in Quarter 4, thanks also to the weekly Quantitative Easing ("QE") purchases. The increase in the surplus pushed the Euro OverNight Index Average ("EONIA") fixing towards -14bp. Euribor fixings have moved lower as well, with the 3 month Euribor down to -4bp.

The fund's investment focus continues to be weighted towards financials, corporates and agencies. The quality of the fund has remained very high during the quarter with greater than 60% of the fund invested in securities in the highest short-term category (A-1+/P-1), comfortably above rating agency guidelines. The fund held no securities rated below A-1/P1.

#### **Performance and Net Assets**

The fund experienced outflows in the second half of 2015. Assets under management were down by 4% and reached a volume of 5.5 billion Euro at the end of 2015.

#### **Outlook for the Fund for the next six months**

Looking ahead, private consumption is expected to remain the main growth driver, supported by renewed weakness in oil prices (and therefore weak inflation) and slowly improving labour market conditions (both employment and wage growth).

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED EURO FUND**

**Investment Manager's Report for the financial period ended 31 December 2015 cont/d...**

### **Outlook for the Fund for the next six months cont/d...**

Investment remains a source of uncertainty and should only rebound modestly. Growth in productive investment is seen as only moderate, as very supportive financial conditions are offset by low growth prospects and high uncertainty, while construction investment should recover only slowly after the long downward adjustment that started in 2008. Net trade will likely face opposing forces: weaker external demand from China and most emerging market countries versus further strength in euro area exports to advanced economies, in particular the US and non-euro Europe. Chinese imports from the EU have been on a downward trend since the beginning of the year, with the latest August data pointing to a worrying contraction of c.15%.

In a speech ECB board member and Chief Economist Peter Praet explained that low interest rates were "a consequence of weak secular trends, coupled with the cyclical consequences of a complex debt crisis, exacerbated by a monetary union with institutional and structural flaws." He concluded that normalisation towards a situation where interest rates are higher would happen only gradually once these "underlying drivers that are holding real rates and inflation expectations down" were addressed, which requires structural and institutional reforms in the euro area. He echoed President Draghi's comment that the Governing Council was willing and able to act, if warranted, to counter downside risks on the inflation outlook. His speech supported the view that the ECB is likely to decide to expand the duration of the programme by at least six months when the GC meets in October, and could also expand the scope and the size of the programme before year-end.

In light of the weak inflation outlook and the ECB's downward revisions, we expect that the ECB will need to ease monetary policy further before year-end, most likely by lowering the depo rate further and extending its QE programme.

**Deutsche AWM International GmbH**

**January 2016**

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED EURO FUND**

### **Portfolio of Investments as at 31 December 2015**

<b>Nominal</b>	<b>Security</b>	<b>Credit Rating</b>	<b>Coupon %</b>	<b>Maturity</b>	<b>Classification</b>	<b>Market Value €</b>	<b>Fund %</b>
<b>Certificates of Deposit - 11.86% (June 2015 – 17.60%)</b>							
80,000,000	BNP Paribas Arbitrage	A-1	0.01	26/02/2016	(a)	79,991,757	1.46
55,000,000	Credit Suisse	A-1	0.01	26/02/2016	(a)	54,999,190	1.01
80,000,000	Dexia Credit	A-1+	0.01	09/02/2016	(a)	80,000,800	1.46
50,000,000	Nordea Bank	A-1+	0.01	07/04/2016	(a)	50,023,514	0.92
50,000,000	Qatar National Bank SAQ	A-1	0.01	22/02/2016	(a)	50,000,000	0.92
40,000,000	Qatar National Bank SAQ	A-1	0.01	14/03/2016	(a)	39,999,222	0.73
50,000,000	Qatar National Bank SAQ	A-1	0.01	29/03/2016	(a)	50,003,542	0.92
44,000,000	Qatar National Bank SAQ	A-1	0.01	15/04/2016	(a)	43,997,507	0.81
40,000,000	Societe de Financement Local	A-1+	0.01	18/02/2016	(a)	40,003,639	0.73
48,500,000	Standard Chartered Bank	A-1	0.01	02/06/2016	(a)	48,502,021	0.89
40,000,000	Svenska Handelsbanken	A-1+	0.01	15/01/2016	(a)	40,000,244	0.73
50,000,000	Svenska Handelsbanken	A-1+	0.01	22/03/2016	(a)	50,004,334	0.92
20,000,000	Svenska Handelsbanken	A-1+	0.00	23/03/2016	(a)	20,000,044	0.36
						<b>647,525,814</b>	<b>11.86</b>
<b>Commercial Papers – 49.14% (June 2015 – 42.28%)</b>							
30,000,000	Antalis SA	A-1	0.01	06/01/2016	(a)	29,999,983	0.55
40,000,000	Antalis SA	A-1	0.01	11/01/2016	(a)	39,999,922	0.73
20,000,000	Antalis SA	A-1	0.01	01/02/2016	(a)	20,000,000	0.37
30,000,000	Antalis SA	A-1	0.01	02/02/2016	(a)	30,000,000	0.55
35,000,000	Antalis SA	A-1	0.01	09/02/2016	(a)	34,999,825	0.64
35,000,000	Antalis SA	A-1	0.01	10/02/2016	(a)	34,999,820	0.64
70,000,000	Banque Federative du Credit Mutuel	A-1	0.01	29/02/2016	(a)	70,001,634	1.28
50,000,000	Banque Federative du Credit Mutuel	A-1	0.01	15/03/2016	(a)	50,006,905	0.92
50,000,000	Banque Federative du Credit Mutuel	A-1	0.01	14/04/2016	(a)	50,005,612	0.92
15,000,000	Caterpillar International Finance	A-1	0.01	25/01/2016	(a)	15,001,138	0.27
10,000,000	Caterpillar International Finance	A-1	0.01	27/01/2016	(a)	10,000,863	0.18
50,000,000	DekaBank Deutsche Girozentrale	A-1	0.01	29/03/2016	(a)	50,000,000	0.92
40,000,000	DekaBank Deutsche Girozentrale	A-1	0.01	07/04/2016	(a)	39,995,823	0.73
60,000,000	Dexia Credit Local	A-1+	0.01	18/03/2016	(a)	60,000,000	1.10
60,000,000	Dexia Credit Local	A-1+	0.01	18/04/2016	(a)	59,996,500	1.10
60,000,000	DGZ Dekabank	A-1	0.01	01/02/2016	(a)	59,999,533	1.10
50,000,000	DGZ Dekabank	A-1	0.01	07/03/2016	(a)	49,997,375	0.92
40,000,000	Engie	A-1	0.01	11/01/2016	(a)	39,999,844	0.73
30,000,000	Engie	A-1	0.01	22/01/2016	(a)	29,999,700	0.55
50,000,000	Engie	A-1	0.01	29/02/2016	(a)	49,999,611	0.92
39,000,000	Engie	A-1	0.01	01/03/2016	(a)	39,000,000	0.71
20,000,000	Engie	A-1	0.01	12/04/2016	(a)	19,999,725	0.37
20,000,000	GE Capital European Funding	A-1+	0.01	19/02/2016	(a)	20,001,789	0.37
10,000,000	GE Capital European Funding	A-1+	0.01	23/02/2016	(a)	10,000,972	0.18
10,000,000	GE Capital European Funding	A-1+	0.01	24/02/2016	(a)	10,000,992	0.18
47,500,000	Honeywell International	A-1	0.01	04/04/2016	(a)	47,499,400	0.87
18,000,000	Landesbank Hessen	A-1	0.01	06/04/2016	(a)	18,000,000	0.33
15,000,000	Landesbank Hessen	A-1	0.01	16/05/2016	(a)	15,004,989	0.27

# DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

## DEUTSCHE MANAGED EURO FUND

### Portfolio of Investments as at 31 December 2015 cont/d...

Nominal	Security	Credit Rating	Coupon %	Maturity	Classification	Market Value €	Fund %
<b>Commercial Papers – 49.14% (June 2015 – 42.28%) cont/d...</b>							
25,000,000	Landesbank Hessen	A-1	0.01	19/05/2016	(a)	25,004,251	0.46
72,000,000	Landesbank Hessen	A-1	0.01	25/05/2016	(a)	72,020,045	1.32
70,000,000	LMA SA	A-1	0.01	11/01/2016	(a)	70,000,409	1.29
60,000,000	LMA SA	A-1	0.01	21/01/2016	(a)	60,000,857	1.10
34,500,000	LMA SA	A-1	0.01	12/02/2016	(a)	34,499,813	0.63
15,500,000	LMA SA	A-1	0.01	15/02/2016	(a)	15,500,543	0.28
20,000,000	LMA SA	A-1	0.01	23/02/2016	(a)	20,000,556	0.37
32,000,000	LMA SA	A-1	0.01	24/02/2016	(a)	31,998,867	0.59
7,000,000	LVMH Finance Belgique	A-1	0.01	15/01/2016	(a)	7,000,011	0.13
17,000,000	LVMH Finance Belgique	A-1	0.01	21/01/2016	(a)	16,999,960	0.31
33,000,000	LVMH Finance Belgique	A-1	0.01	25/01/2016	(a)	32,999,904	0.60
25,000,000	LVMH Finance Belgique	A-1	0.01	29/01/2016	(a)	25,000,000	0.46
6,500,000	LVMH Finance Belgique	A-1	0.01	29/02/2016	(a)	6,499,949	0.12
80,000,000	Managed and Enhanced Tap	A-1	0.01	04/01/2016	(a)	80,000,000	1.46
90,000,000	Managed and Enhanced Tap	A-1	0.01	01/02/2016	(a)	90,007,000	1.65
14,500,000	Matchpoint Finance	A-1	0.01	11/01/2016	(a)	14,500,000	0.27
35,000,000	Matchpoint Finance	A-1	0.01	11/02/2016	(a)	34,999,631	0.64
13,400,000	Matchpoint Finance	A-1	0.01	12/02/2016	(a)	13,399,855	0.25
21,000,000	Matchpoint Finance	A-1	0.01	15/02/2016	(a)	20,999,755	0.38
27,500,000	Matchpoint Finance	A-1	0.01	16/02/2016	(a)	27,499,672	0.50
25,000,000	Matchpoint Finance	A-1	0.01	17/02/2016	(a)	24,999,694	0.46
20,000,000	Matchpoint Finance	A-1	0.01	17/03/2016	(a)	19,999,594	0.37
20,000,000	Matchpoint Finance	A-1	0.01	27/05/2016	(a)	19,997,600	0.37
11,000,000	Mitsubishi Corporation Finance	A-1	0.01	07/01/2016	(a)	11,000,000	0.20
118,000,000	National Bank of Abu Dhabi	A-1+	0.01	29/02/2016	(a)	118,017,427	2.16
40,000,000	Nordea Bank	A-1+	0.01	11/01/2016	(a)	39,999,961	0.73
30,000,000	Pohjola Bank	A-1+	0.01	23/02/2016	(a)	29,999,167	0.55
53,000,000	Procter and Gamble	A-1+	0.01	11/01/2016	(a)	52,999,897	0.97
13,000,000	Procter and Gamble	A-1+	0.01	26/01/2016	(a)	12,999,921	0.24
50,000,000	Procter and Gamble	A-1+	0.01	09/02/2016	(a)	49,999,500	0.92
50,000,000	Procter and Gamble	A-1+	0.01	25/02/2016	(a)	50,000,000	0.92
30,000,000	Procter and Gamble	A-1+	0.01	01/03/2016	(a)	30,000,000	0.55
75,000,000	Regency Assets Limited	A-1	0.01	13/01/2016	(a)	75,000,000	1.37
30,000,000	Region Rhone Alpes	A-1+	0.01	21/03/2016	(a)	30,002,888	0.55
70,000,000	Standard Chartered Bank	A-1	0.01	05/02/2016	(a)	69,999,378	1.28
45,000,000	Standard Chartered Bank	A-1	0.01	11/04/2016	(a)	44,998,775	0.82
93,000,000	Svenska Handelsbanken	A-1+	0.01	13/04/2016	(a)	93,006,459	1.70
20,000,000	Svenska Handelsbanken	A-1+	0.01	11/05/2016	(a)	20,004,979	0.37
185,500,000	Unedic	A-1+	0.01	11/02/2016	(a)	185,535,258	3.40
						<b>2,682,003,531</b>	<b>49.14</b>
<b>Corporate Bonds - 10.87% (June 2015 – 4.77%)</b>							
37,200,000	Bank of Scotland	A-1+	4.38	13/07/2016	(a)	38,049,228	0.70

# DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

## DEUTSCHE MANAGED EURO FUND

### Portfolio of Investments as at 31 December 2015 cont/d...

Nominal	Security	Credit Rating	Coupon %	Maturity	Classification	Market Value €	Fund %
<b>Corporate Bonds - 10.87% (June 2015 – 4.77%) cont/d...</b>							
50,000,000	Belgium Government Bond	A-1+	2.75	28/03/2016	(a)	50,358,941	0.92
50,000,000	Bundesobligation Caisse Francaise de Financement	A-1+	2.75	08/04/2016	(a)	50,406,673	0.92
9,466,000	Local	A-1+	2.75	25/01/2016	(a)	9,481,575	0.17
62,905,000	Cie de Financement Foncier	A-1+	3.38	18/01/2016	(a)	62,987,635	1.15
38,900,000	Cooperatieve Centrale Raiffeisen	A-1	3.38	18/01/2016	(a)	38,949,722	0.71
26,000,000	Cooperatieve Centrale Raiffeisen	A-1	4.38	05/05/2016	(a)	26,375,851	0.48
75,000,000	DNB Boligkreditt	A-1+	2.63	11/01/2016	(a)	75,038,163	1.37
15,000,000	DZ Bank	A-1+	0.02	22/01/2016	(a)	15,000,884	0.27
16,500,000	Erste Abwicklungsanstalt	A-1+	3.13	29/03/2016	(a)	16,624,374	0.30
18,492,000	HSBC Holdings	A-1	3.88	16/03/2016	(a)	18,632,751	0.34
51,800,000	Lloyds Bank	A-1+	4.13	06/04/2016	(a)	52,353,037	0.96
59,555,000	OP Mortgage Bank	A-1+	3.25	01/04/2016	(a)	60,039,259	1.10
21,000,000	Rabobank	A-1	3.88	20/04/2016	(a)	21,241,587	0.39
13,945,000	Skandinaviska Enskilda Banken	A-1	3.75	19/05/2016	(a)	14,141,979	0.26
45,000,000	Westpac Banking Corporation	A-1+	2.13	16/02/2016	(a)	45,114,116	0.83
						<b>594,795,775</b>	<b>10.87</b>
<b>Floating Rate Notes - 8.68% (June 2015 – 8.74%)</b>							
25,700,000	Bank of Nova Scotia Banque Federative du Credit	A-1	0.20	30/09/2016	(a)	25,747,271	0.47
24,000,000	Mutuel	A-1	0.10	10/02/2016	(a)	24,003,157	0.44
25,000,000	Cooperatieve Centrale Raiffeisen	A-1	0.20	15/01/2016	(a)	25,001,433	0.46
32,500,000	Cooperatieve Centrale Raiffeisen	A-1	0.28	01/02/2016	(a)	32,508,201	0.60
40,000,000	Cooperatieve Centrale Raiffeisen	A-1	0.03	29/07/2016	(a)	40,000,000	0.73
50,000,000	Credit Suisse	A-1	0.25	22/07/2016	(a)	50,046,781	0.92
26,670,000	DNB Boligkreditt	A-1+	0.29	01/03/2016	(a)	26,687,437	0.49
28,100,000	Erste Abwicklungsanstalt	A-1+	0.22	15/08/2016	(a)	28,164,674	0.52
98,000,000	GE Capital European Funding	A-1	0.06	22/02/2016	(a)	98,013,573	1.79
37,800,000	GE Capital European Funding	A-1	0.38	03/05/2016	(a)	37,846,943	0.69
7,000,000	HSBC France	A-1+	0.19	27/01/2016	(a)	7,000,783	0.13
5,500,000	Nordea Bank Finland Abp	A-1+	0.22	10/08/2016	(a)	5,509,265	0.10
40,000,000	QNB Finance	A-1	0.08	18/07/2016	(a)	39,974,435	0.73
15,000,000	State of Hesse	A-1+	0.00	06/07/2016	(a)	15,010,705	0.27
18,500,000	Sveriges Sakerstallda Obligationer	A-1+	0.30	27/06/2016	(a)	18,536,968	0.34
						<b>474,051,626</b>	<b>8.68</b>
<b>Repurchase Agreements - 5.49% (June 2015 – 4.77%)</b>							
300,000,000	BNP Paribas	A-1	(0.33)	04/01/2016		300,000,000	5.49
						<b>300,000,000</b>	<b>5.49</b>
<b>Time Deposits - 5.50% (June 2015 – 5.30%)</b>							
100,000,000	Bred Banque	A-1	(0.40)	04/01/2016		100,000,000	1.83
100,000,000	Credit Agricole	A-1	(0.35)	04/01/2016		100,000,000	1.83
50,000,000	Deutsche Girozentrale	A-1	(0.10)	04/01/2016		50,000,000	0.92

# DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

## DEUTSCHE MANAGED EURO FUND

### Portfolio of Investments as at 31 December 2015 cont/d...

<u>Nominal</u>	<u>Security</u>	<u>Credit Rating</u>	<u>Coupon %</u>	<u>Maturity</u>	<u>Class-ification</u>	<u>Market Value €</u>	<u>Fund %</u>
<b>Time Deposits - 5.50% (June 2015 – 5.30%) cont/d...</b>							
50,000,000	Rabobank	A-1	(0.45)	04/01/2016		50,000,000	0.92
						<b>300,000,000</b>	<b>5.50</b>
<b>Treasury Bills - 3.12% (June 2015 – 11.85%)</b>							
120,000,000	France Treasury Bill BTF	A-1+	0.01	24/02/2016		120,062,732	2.20
50,000,000	France Treasury Bill BTF	A-1+	0.01	02/03/2016		50,030,632	0.92
						<b>170,093,364</b>	<b>3.12</b>
<b>Total Investments</b>						<b>5,168,470,110</b>	<b>94.66</b>
Other Net Assets						292,498,546	5.34
<b>Net Assets attributable to holders of redeemable participating shares</b>						<b>5,460,968,656</b>	<b>100.00</b>

		<b>31/12/15</b>	<b>30/06/15</b>
Net Asset Value		€5,460,968,656	€5,664,754,769
Number of Shares in issue -	Platinum Shares	3,579,429,743	3,185,404,650
	Advisory Shares	1,157,399,691	1,820,078,687
	Institutional Shares	11,332,248	3,546,275
	Investor Shares	616	616
	Accumulate Shares	26,749	22,321
	Reserved Shares	350,259,781	429,256,494
	Z-Class*	9,137	-
Net Asset Value per Share -	Platinum Shares	€1.00	€1.00
	Advisory Shares	€1.00	€1.00
	Institutional Shares	€1.00	€1.00
	Investor Shares	€1.00	€1.00
	Accumulate Shares	€10,138.78	€10,145.86
	Reserved Shares	€1.00	€1.00
	Z-Class*	€9,997.00	-

\*Z-Class Shares launched on 4 September 2015, therefore there are no comparatives.

	<b>% of total gross assets</b>
<b>Analysis of total assets</b>	
Transferable securities and money market instruments traded on a regulated market (ref (a) above)	82.24
Deposits held with Credit Institutions	10.80
Other Current Assets	6.96
	<b>100.00</b>

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED EURO FUND**

### **Significant Portfolio Changes since 1 July 2015**

The following Statement of Changes in the Portfolio reflect the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals greater than 1% of the total sales in the financial period. At a minimum the largest 20 purchases and sales are required to be disclosed, if applicable.

<b>MAJOR PURCHASES*</b>	<b>COUPON %</b>	<b>MATURITY</b>	<b>COST €</b>
Credit Agricole	(0.22)	04/08/2015	610,000,000
Credit Agricole	(0.22)	14/08/2015	600,000,000
Credit Agricole	(0.22)	08/07/2015	600,000,000
Credit Agricole	(0.23)	03/08/2015	600,000,000
Credit Agricole	(0.21)	24/07/2015	590,000,000
Credit Agricole	(0.22)	28/07/2015	590,000,000
Credit Agricole	(0.22)	31/07/2015	590,000,000
Credit Agricole	(0.22)	12/08/2015	580,000,000
Credit Agricole	(0.22)	13/08/2015	580,000,000
Credit Agricole	(0.20)	02/07/2015	580,000,000
Credit Agricole	(0.20)	03/07/2015	580,000,000
Credit Agricole	(0.22)	13/10/2015	576,100,000
Credit Agricole	(0.22)	06/08/2015	570,000,000
Credit Agricole	(0.22)	16/07/2015	570,000,000
Credit Agricole	(0.22)	25/08/2015	560,000,000
Credit Agricole	(0.22)	08/09/2015	560,000,000
Credit Agricole	(0.22)	24/08/2015	557,000,000
Credit Agricole	(0.22)	19/08/2015	555,200,000
Credit Agricole	(0.22)	27/08/2015	551,200,000
Credit Agricole	(0.22)	11/11/2015	550,900,000

<b>MAJOR SALES*</b>	<b>COUPON %</b>	<b>MATURITY</b>	<b>PROCEEDS €</b>
Credit Agricole	(0.22)	22/10/2014	610,000,000
Credit Agricole	(0.22)	21/10/2014	600,000,000
Credit Agricole	(0.22)	10/10/2014	600,000,000
Credit Agricole	(0.23)	08/06/2014	600,000,000
Credit Agricole	(0.21)	10/08/2014	590,000,000
Credit Agricole	(0.22)	10/09/2014	590,000,000
Credit Agricole	(0.22)	10/06/2014	590,000,000
Credit Agricole	(0.22)	23/10/2014	580,000,000
Credit Agricole	(0.22)	24/09/2014	580,000,000
Credit Agricole	(0.20)	29/09/2014	580,000,000
Credit Agricole	(0.20)	18/09/2014	580,000,000
Credit Agricole	(0.22)	19/09/2014	576,100,000
Credit Agricole	(0.22)	22/09/2014	570,000,000
Credit Agricole	(0.22)	23/09/2014	570,000,000
Credit Agricole	(0.22)	26/09/2014	560,000,000
Credit Agricole	(0.22)	25/09/2014	560,000,000
Credit Agricole	(0.22)	11/05/2014	557,000,000
Credit Agricole	(0.22)	15/07/2014	555,200,000
Credit Agricole	(0.22)	16/07/2014	551,200,000
Credit Agricole	(0.22)	17/07/2014	550,900,000

\* All of the above purchases and sales are time deposits.

Copies of all portfolio changes are available, free of charge, from the registered office of the Company and the Information Agent in the Netherlands.

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED STERLING FUND**

### **Investment Manager's Report for the financial period ended 31 December 2015**

#### **Review and Highlights of the Period**

UK industrial production fell for the second consecutive month (-0.4% month on month, 0.8% year on year in July 2015 after -0.4% month on month, 1.5% year on year in June 2015), while manufacturing registered a significant downward surprise (-0.8% month on month, -0.5% year on year in July after 0.2% month on month, 0.5% year on year in June). This weaker-than-expected print was echoed by the Quarter 3, 2015, Outlook Report from EEF, the manufacturing representative body. In the report the manufacturing growth forecast more than halved; at the start of the year it was at 1.7% for 2015 whereas in September it is at 0.7%. Of particular concern is the significant drop in investment goods, which has begun to show trend weakness, and the potential spill over this would have on economic activity if weakness continues.

International trade also showed substantial downside in July, with exports falling 9.5% month on month in real terms, cancelling out a strong second quarter; particular declines were noted in consumer goods and passenger cars. Anecdotally, the EEF report cited sterling strength and weak global demand for poor exports, noting that "exporters have had their worst quarter for new sales in six years". Geographically, weakness came from exports to non-EU countries, falling 15.1% month on month, while EU exports contracted by only 3.7% month on month.

The Royal Institution of Chartered Surveyors ("RICS") survey for August pointed to further acceleration in house prices and came in at its highest level in over 12 months. While the London area has been recovering from cyclical lows reached in January, the strongest increases came from East Anglia, Northern Ireland and Yorkshire & Humberside, but also from the south east and south west.

The August Halifax house price index confirmed upside momentum and surprised by growing 2.7% month on month and 9.0% year on year. The RICS survey also continued to point to a challenging supply picture. Given such lack of supply, even the modest increase in enquiries and low levels of transaction seems enough to push prices up again.

The July Labour Report showed that job growth has slowed but remains positive. The headline International Labour Organisation ("ILO") unemployment rate dropped to 5.5% in July and also the numbers of long-term unemployed continues to fall rapidly. Household real wage and salary income continues to rise, and this is likely to continue to support strong consumer spending growth in coming months.

Consumer Price Index ("CPI") inflation data for August were broadly in line with expectations, consistent with the view that underlying inflation pressures remain fairly contained. While headline inflation surprised slightly to the downside declining to 0.0%, core prices corrected 0.2pp to the downward in line with the expectation that calendar effects biased to the upside in the July print.

The August inflation release revealed once more the absence of inflationary pressure, and not just in the headline, as core inflation just wobbles around 1%. Against this backdrop, latest hawkish comments by Monetary Policy Committee ("MPC") members sound rather hollow.

The Bank of England ("BoE") kept its policy stance broadly unchanged and the balance of voting remained at 8 against 1 in favour of the status quo. The minutes of the meeting were fairly balanced with the MPC highlighting that it was still too early to draw conclusions from the latest developments in China and their possible impact on the UK economy. While Governor Carney already hinted in Jackson Hole that recent concerns about China would not at this point change the BoE's rate strategy, this was confirmed by discussions among MPC members today. While the committee seems to acknowledge the seriousness of latest developments, it also highlighted that it remained "unclear how the situation might evolve and what the impact on the global activity might be". For instance, while weaker Chinese demand poses downside risk to growth, lower commodity prices might actually "provide some countervailing support to spending in commodity importing economies".

Contrasting with weakness stemming from the global economy, the MPC repeated its previous message in highlighting the strength of the domestic outlook. Even if the most recent data and surveys came in on the soft side, the Bank believes that the message from the August Inflation Report still holds and that levels of activity will remain elevated despite headwinds from the global economy and fiscal consolidation.

The fund's investment focus continues to be weighted towards financials, corporates and agencies. The quality of the fund has remained very high during the quarter with greater than 60% of the fund invested in securities in the highest short-term category (A-1+/P-1), comfortably above rating agency guidelines. The fund held no securities rated below A-1/P-1.

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED STERLING FUND**

**Investment Manager's Report for the financial period ended 31 December 2015 cont/d...**

### **Performance and Net Assets**

The fund experienced inflows in the second half of 2015. Assets under management were up by 6% and reached a volume of 9.1 billion GBP at the end of 2015.

### **Outlook for the Fund for the next six months**

Weakness in production and exports underscores the expectation of GDP growth moderating. The goods manufacturing and goods exporting sector remains a cause for concern as the structural lack of competitiveness is magnified by currency appreciation and government policies (fiscal consolidation and the EU referendum).

CPI inflation is expected to re-enter negative territory in the near term, before slowly returning to positive territory around the end of the year, supported by energy base effects.

When it comes to monetary policy it was notable that the Monetary Policy Committee ("MPC") dropped the reference to a "finely balanced decision" for some members, highlighting that at the margin, the Bank shifted to a slightly more dovish stance. The committee acknowledged that it was monitoring the situation closely.

We believe that the BoE will hike in Quarter 4 of 2016 by 25bp but see increasing risks to this call.

**Deutsche AWM International GmbH**

**January 2016**

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED STERLING FUND**

### **Portfolio of Investments as at 31 December 2015**

<b>Nominal</b>	<b>Security</b>	<b>Credit Rating</b>	<b>Coupon %</b>	<b>Maturity</b>	<b>Classification</b>	<b>Fair Value UK£</b>	<b>Fund %</b>
<b>Certificates of Deposit - 19.84% (June 2015 – 13.98%)</b>							
60,000,000	ANZ Banking Group	A-1+	0.01	28/04/2016	(a)	59,886,828	0.66
70,000,000	Bank of America	A-1	0.59	02/02/2016	(a)	70,001,370	0.77
50,000,000	Bank of Tokyo	A-1	0.01	18/02/2016	(a)	49,966,744	0.55
70,000,000	Bank of Tokyo	A-1	0.01	11/05/2016	(a)	69,838,428	0.77
100,000,000	Bank of Tokyo Mitsubishi	A-1	0.01	18/01/2016	(a)	99,980,831	1.10
40,000,000	Bank of Tokyo Mitsubishi	A-1	0.01	25/01/2016	(a)	39,988,498	0.44
60,000,000	Bank of Tokyo Mitsubishi	A-1	0.01	22/03/2016	(a)	59,927,019	0.66
60,000,000	Bank of Tokyo Mitsubishi	A-1	0.01	25/04/2016	(a)	59,887,927	0.66
80,000,000	BNP Paribas	A-1	0.01	18/01/2016	(a)	79,979,801	0.88
50,000,000	BNP Paribas	A-1	0.01	15/03/2016	(a)	49,946,584	0.55
60,000,000	BNP Paribas	A-1	0.01	18/04/2016	(a)	59,888,111	0.66
80,000,000	BNP Paribas Arbitrage Issuance	A-1	0.01	23/02/2016	(a)	79,906,988	0.88
50,000,000	Dexia Credit	A-1+	0.01	18/03/2016	(a)	49,926,274	0.55
30,000,000	Goldman Sachs	A-1	0.95	29/04/2016	(a)	30,000,000	0.34
50,000,000	Goldman Sachs	A-1	0.93	13/05/2016	(a)	50,000,000	0.55
80,000,000	La Banque Postale	A-1	0.01	17/02/2016	(a)	79,939,310	0.88
35,700,000	Mizuho Corporate Bank	A-1	0.63	29/02/2016	(a)	35,703,253	0.39
70,000,000	National Bank of Abu Dhabi	A-1+	0.01	12/01/2016	(a)	69,989,750	0.77
50,000,000	Nordea Bank	A-1+	0.01	18/01/2016	(a)	49,989,089	0.55
80,000,000	Nordea Bank	A-1+	0.58	22/02/2016	(a)	79,938,902	0.88
50,000,000	Norinchukin Bank	A-1	0.01	25/01/2016	(a)	49,984,624	0.55
50,000,000	Qatar National Bank SAQ	A-1	0.01	09/02/2016	(a)	49,965,580	0.55
60,000,000	Qatar National Bank SAQ	A-1	0.01	14/03/2016	(a)	59,911,736	0.66
50,000,000	Qatar National Bank SAQ	A-1	0.01	19/04/2016	(a)	49,901,539	0.55
80,000,000	Sumitomo Mitsui Banking Corporation	A-1	0.01	28/01/2016	(a)	79,972,138	0.88
60,000,000	Sumitomo Mitsui Banking Corporation	A-1	0.01	22/02/2016	(a)	59,955,740	0.66
25,000,000	Sumitomo Mitsui Banking Corporation	A-1	0.01	04/03/2016	(a)	24,975,994	0.28
60,000,000	Sumitomo Mitsui Banking Corporation	A-1	0.01	22/04/2016	(a)	59,883,787	0.66
50,000,000	Svenska Handelsbanken	A-1+	0.58	25/01/2016	(a)	50,000,144	0.55
60,000,000	Svenska Handelsbanken	A-1+	0.55	15/02/2016	(a)	60,000,345	0.66
31,800,000	Svenska Handelsbanken	A-1+	0.57	23/03/2016	(a)	31,799,996	0.35
						<b>1,801,037,330</b>	<b>19.84</b>
<b>Commercial Papers - 32.33% (June 2015 – 37.32%)</b>							
50,000,000	Agence Centrale des Organismes	A-1+	0.01	27/01/2016	(a)	49,982,775	0.55
30,000,000	Allianz	A-1+	0.01	07/06/2016	(a)	29,907,339	0.33
40,000,000	Banque Federative Du Credit Mutuel	A-1	0.01	07/01/2016	(a)	39,997,999	0.44
60,000,000	Banque Federative Du Credit Mutuel	A-1	0.01	08/01/2016	(a)	59,995,607	0.66
90,000,000	Banque Federative Du Credit Mutuel	A-1	0.01	14/01/2016	(a)	89,985,965	0.99
56,800,000	Banque Federative Du Credit Mutuel	A-1	0.01	01/02/2016	(a)	56,773,888	0.63
50,000,000	Banque Federative Du Credit Mutuel	A-1	0.01	09/02/2016	(a)	49,967,298	0.55
50,000,000	Banque Federative Du Credit Mutuel	A-1	0.01	10/03/2016	(a)	49,935,586	0.55
40,000,000	Banque Federative Du Credit Mutuel	A-1	0.01	12/04/2016	(a)	39,931,795	0.44
70,000,000	BK Ned Gemeenten	A-1+	0.01	11/03/2016	(a)	69,933,270	0.77

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED STERLING FUND**

### **Portfolio of Investments as at 31 December 2015 cont/d...**

<b>Nominal</b>	<b>Security</b>	<b>Credit Rating</b>	<b>Coupon %</b>	<b>Maturity</b>	<b>Classification</b>	<b>Market Value UK£</b>	<b>Fund %</b>
<b>Commercial Papers - 32.33% (June 2015 – 37.32%) cont/d...</b>							
70,000,000	BPCE	A-1	0.01	19/01/2016	(a)	69,981,343	0.77
80,000,000	BPCE	A-1	0.01	22/01/2016	(a)	79,974,805	0.88
60,000,000	Credit Suisse	A-1	0.01	08/02/2016	(a)	59,957,014	0.66
50,000,000	Deutsche Zentral Bank	A-1+	0.01	20/01/2016	(a)	49,986,441	0.55
60,000,000	Deutsche Zentral Bank	A-1+	0.01	16/02/2016	(a)	59,955,564	0.66
60,000,000	Deutsche Zentral Bank	A-1	0.01	17/03/2016	(a)	59,915,101	0.66
76,000,000	Dexia Credit	A-1	0.01	12/01/2016	(a)	75,988,347	0.84
60,000,000	DGZ Dekabank	A-1	0.01	16/02/2016	(a)	59,959,767	0.66
40,000,000	DGZ Dekabank	A-1	0.01	26/02/2016	(a)	39,966,942	0.44
45,000,000	DGZ Dekabank	A-1	0.01	04/03/2016	(a)	44,957,158	0.50
60,000,000	DGZ Dekabank	A-1	0.01	11/03/2016	(a)	59,938,409	0.66
60,000,000	DGZ Dekabank	A-1	0.01	16/03/2016	(a)	59,930,306	0.66
60,000,000	DnB NOR Bank	A-1	0.01	06/01/2016	(a)	59,997,803	0.66
60,000,000	DnB NOR Bank	A-1+	0.01	12/01/2016	(a)	59,991,345	0.66
60,000,000	DnB NOR Bank	A-1+	0.01	18/05/2016	(a)	59,876,072	0.66
50,000,000	Erste Abwicklungsanstalt	A-1+	0.01	21/01/2016	(a)	49,987,210	0.55
50,000,000	Erste Abwicklungsanstalt	A-1+	0.01	09/02/2016	(a)	49,972,433	0.55
50,000,000	Erste Abwicklungsanstalt	A-1+	0.01	25/02/2016	(a)	49,960,879	0.55
50,000,000	Erste Abwicklungsanstalt	A-1+	0.01	09/03/2016	(a)	49,949,342	0.55
60,000,000	Erste Abwicklungsanstalt	A-1+	0.01	14/04/2016	(a)	59,905,540	0.66
60,000,000	FMS Wertmanagement	A-1+	0.01	07/04/2016	(a)	59,915,200	0.66
35,000,000	GE Capital UK Funding	A-1+	0.01	25/01/2016	(a)	34,989,940	0.39
20,000,000	GE Capital UK Funding	A-1+	0.01	24/02/2016	(a)	19,984,648	0.22
38,700,000	Kommunekredit	A-1+	0.01	01/02/2016	(a)	38,683,401	0.43
60,000,000	Landesbank Hessen	A-1+	0.01	16/06/2016	(a)	59,756,339	0.66
42,000,000	National Bank of Abu Dhabi	A-1	0.01	16/02/2016	(a)	41,969,387	0.46
50,000,000	Nordea Bank	A-1+	0.01	20/01/2016	(a)	49,987,963	0.55
50,000,000	Nordea Bank	A-1+	0.01	21/01/2016	(a)	49,987,210	0.55
50,000,000	Nordea Bank	A-1+	0.01	17/03/2016	(a)	49,935,210	0.55
50,000,000	Nordea Bank	A-1+	0.01	11/04/2016	(a)	49,918,318	0.55
30,000,000	Nordea Bank	A-1+	0.01	13/05/2016	(a)	29,929,711	0.33
50,000,000	Oversea Chinese Bank	A-1+	0.01	08/03/2016	(a)	49,939,714	0.55
50,000,000	Pohjola Bank	A-1+	0.01	26/01/2016	(a)	49,983,148	0.55
40,000,000	Pohjola Bank	A-1+	0.01	08/02/2016	(a)	39,975,136	0.44
45,000,000	Pohjola Bank	A-1+	0.01	14/03/2016	(a)	44,938,942	0.49
75,000,000	Pohjola Bank	A-1+	0.01	25/04/2016	(a)	74,864,491	0.82
60,000,000	Standard Chartered Bank	A-1+	0.01	13/01/2016	(a)	59,990,043	0.66
40,000,000	Standard Chartered Bank	A-1	0.01	21/03/2016	(a)	39,942,783	0.44
60,000,000	Standard Chartered Bank	A-1	0.01	09/05/2016	(a)	59,853,376	0.66
50,000,000	Svenska Handelsbanken	A-1	0.01	22/02/2016	(a)	49,963,804	0.55
50,000,000	Toronto Dominion Bank	A-1+	0.01	11/01/2016	(a)	49,993,691	0.55
20,000,000	Toronto Dominion Bank	A-1+	0.01	22/04/2016	(a)	19,961,303	0.22
40,000,000	Toronto Dominion Bank	A-1+	0.01	12/05/2016	(a)	39,912,578	0.44
80,000,000	Toronto Dominion Bank	A-1+	0.01	17/06/2016	(a)	79,730,284	0.88
70,000,000	Toronto Dominion Bank	A-1+	0.01	30/06/2016	(a)	69,755,189	0.77

# DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

## DEUTSCHE MANAGED STERLING FUND

### Portfolio of Investments as at 31 December 2015 cont/d...

Nominal	Security	Credit Rating	Coupon %	Maturity	Classification	Market Value UK£	Fund %
<b>Commercial Papers - 32.33% (June 2015 – 37.32%) cont/d...</b>							
25,000,000	Vasteras Kommun	A-1+	0.01	07/04/2016	(a)	24,960,165	0.27
						<b>2,935,385,317</b>	<b>32.33</b>
<b>Corporate Bonds - 1.01% (June 2015 – 1.11%)</b>							
12,200,000	FMS Wertmanagement	A-1+	1.13	07/12/2016	(a)	12,250,823	0.13
80,000,000	KFW	A-1+	1.75	22/01/2016	(a)	80,047,259	0.88
						<b>92,298,082</b>	<b>1.01</b>
<b>Floating Rate Notes - 28.88% (June 2015 – 24.46%)</b>							
150,000,000	Australia & New Zealand Banking Group	A-1+	0.56	19/02/2016	(a)	150,000,000	1.65
50,000,000	Australia & New Zealand Banking Group	A-1+	0.62	16/09/2016	(a)	49,995,628	0.55
30,000,000	Bank of Montreal	A-1	0.70	28/10/2016	(a)	30,000,000	0.34
50,000,000	Banque et Caisse Épargne	A-1+	0.54	13/01/2016	(a)	50,000,000	0.55
60,000,000	Banque et Caisse Épargne	A-1+	0.55	11/03/2016	(a)	60,000,000	0.66
40,000,000	Canadian Imperial Bank	A-1	0.57	14/05/2016	(a)	40,000,000	0.44
30,000,000	Canadian Imperial Bank	A-1	0.80	15/12/2016	(a)	29,988,656	0.33
70,000,000	Commonwealth Bank of Australia	A-1+	1.08	22/07/2016	(a)	70,154,848	0.77
50,000,000	Commonwealth Bank of Australia	A-1+	0.76	08/12/2016	(a)	49,990,738	0.55
75,000,000	Rabobank Nederland	A-1+	0.74	15/01/2016	(a)	75,000,000	0.83
15,000,000	Rabobank Nederland	A-1+	0.71	29/04/2016	(a)	15,000,000	0.17
50,000,000	Rabobank Nederland	A-1+	0.68	26/05/2016	(a)	50,000,000	0.55
18,150,000	Credit Suisse	A-1	0.90	21/01/2016	(a)	18,150,000	0.20
7,100,000	Credit Suisse	A-1	0.98	14/03/2016	(a)	7,100,263	0.08
55,000,000	DBS Bank	A-1+	0.58	14/01/2016	(a)	55,000,000	0.61
50,000,000	DBS Bank	A-1+	0.59	22/06/2016	(a)	50,000,000	0.55
50,000,000	Dexia Credit	A-1+	0.73	16/09/2016	(a)	49,993,005	0.55
100,000,000	Erste Abwicklungsanstalt	A-1+	0.58	08/07/2016	(a)	100,000,000	1.10
65,000,000	European Investment Bank	A-1+	0.65	05/01/2016	(a)	65,000,204	0.72
6,000,000	Finland Government International Bond	A-1+	0.62	25/02/2016	(a)	6,000,765	0.07
50,000,000	FMS Wertmanagement AoER	A-1+	0.53	12/08/2016	(a)	49,990,943	0.55
30,000,000	GE Capital UK Funding	A-1+	1.13	09/05/2016	(a)	30,046,945	0.33
75,000,000	Hong Kong Mortgage	A-1+	0.58	16/03/2016	(a)	74,998,525	0.83
15,000,000	HSBC Bank	A-1	0.97	16/05/2016	(a)	15,017,710	0.17
3,000,000	International Bank for Reconstruction & Development	A-1+	0.63	19/01/2016	(a)	3,000,135	0.03
13,970,000	Land Nordrhein-Westfalen	A-1+	1.21	23/05/2016	(a)	14,003,738	0.15
40,000,000	Metropolitan Life Global Funding I	A-1+	0.59	15/04/2016	(a)	40,000,000	0.44
60,000,000	National Australia Bank	A-1+	0.54	15/01/2016	(a)	59,999,910	0.66
70,000,000	National Australia Bank	A-1+	0.56	20/03/2016	(a)	69,994,186	0.77
30,000,000	National Australia Bank	A-1+	0.63	11/09/2016	(a)	30,000,000	0.33
30,000,000	National Australia Bank	A-1+	1.06	12/11/2016	(a)	30,089,988	0.33
50,000,000	National Australia Bank	A-1+	0.80	15/12/2016	(a)	50,000,000	0.55
30,000,000	National Australia Bank	A-1+	0.83	17/12/2016	(a)	29,991,443	0.33

# DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

## DEUTSCHE MANAGED STERLING FUND

### Portfolio of Investments as at 31 December 2015 cont/d...

Nominal	Security	Credit Rating	Coupon %	Maturity	Classification	Market Value UK£	Fund %
<b>Floating Rate Notes - 28.88% (June 2015 - 24.46%) cont/d...</b>							
50,000,000	National Bank of Canada	A-1	0.59	24/03/2016	(a)	50,000,000	0.55
5,314,000	Nederlandse Waterschapsbank	A-1+	1.13	25/01/2016	(a)	5,315,677	0.06
83,000,000	New York Life Global Funding	A-1+	0.56	15/04/2016	(a)	83,000,000	0.91
75,000,000	NRW Bank	A-1+	0.55	18/07/2016	(a)	74,988,985	0.83
75,000,000	NRW Bank	A-1+	0.57	17/08/2016	(a)	74,995,369	0.83
50,000,000	NRW Bank	A-1+	0.60	16/09/2016	(a)	49,996,503	0.55
50,000,000	NRW Bank	A-1+	0.66	11/11/2016	(a)	50,000,000	0.55
30,000,000	NRW Bank	A-1+	0.66	08/12/2016	(a)	29,997,221	0.33
20,000,000	Pohjola Bank	A-1+	0.71	04/03/2016	(a)	20,000,000	0.22
50,000,000	Pohjola Bank	A-1+	0.69	24/11/2016	(a)	50,000,000	0.55
70,000,000	Rabobank International	A-1	0.69	16/11/2016	(a)	70,000,000	0.77
60,000,000	Rabobank Nederland	A-1	0.67	10/08/2016	(a)	60,000,000	0.66
30,000,000	Royal Bank of Canada	A-1+	0.84	19/12/2016	(a)	30,000,000	0.33
50,000,000	Societe Generale	A-1	0.89	31/03/2016	(a)	50,000,000	0.55
14,500,000	Stadshypotek	A-1+	0.80	15/02/2016	(a)	14,502,604	0.16
60,000,000	Standard Chartered Bank	A-1	0.79	22/06/2016	(a)	60,000,000	0.66
80,000,000	Standard Chartered Bank	A-1	0.82	22/08/2016	(a)	80,000,000	0.88
50,000,000	State of Saxony-Anhalt	A-1+	0.62	27/10/2016	(a)	49,989,857	0.55
70,000,000	Toyota Finance Australia	A-1+	0.59	30/03/2016	(a)	70,000,000	0.77
80,000,000	Westpac Banking Corporation	A-1+	0.57	12/02/2016	(a)	80,000,000	0.88
50,000,000	Westpac Banking Corporation	A-1+	0.78	14/12/2016	(a)	49,985,861	0.55
						<b>2,621,279,707</b>	<b>28.88</b>
<b>Time Deposits - 8.80% (June 2015 – 15.19%)</b>							
100,000,000	Bred Banque	A-1	0.40	04/01/2016		100,000,000	1.10
250,000,000	Calyon	A-1	0.20	04/01/2016		250,000,000	2.75
300,000,000	Lloyds TSB Bank	A-1	0.45	01/01/2016		300,000,000	3.30
150,000,000	Rabobank Nederland	A-1	0.35	29/01/2016		150,000,000	1.65
						<b>800,000,000</b>	<b>8.80</b>
<b>Treasury Bills - 1.86% (June 2015 – 0.89%)</b>							
52,500,000	United Kingdom Treasury Bill	A-1+	0.01	01/02/2016	(a)	52,482,956	0.58
25,000,000	United Kingdom Treasury Bill	A-1+	0.01	22/02/2016	(a)	24,985,264	0.28
24,000,000	United Kingdom Treasury Bill	A-1+	0.01	07/03/2016	(a)	23,981,374	0.26
27,000,000	United Kingdom Treasury Bill	A-1+	0.01	21/03/2016	(a)	26,974,405	0.30
40,000,000	United Kingdom Treasury Bill	A-1+	0.01	11/04/2016	(a)	39,951,752	0.44
						<b>168,375,751</b>	<b>1.86</b>
<b>Total Investments</b>						<b>8,418,376,187</b>	<b>92.72</b>
Other Net Assets						660,802,403	7.28
<b>Net Assets attributable to holders of redeemable participating shares</b>						<b>9,079,178,590</b>	<b>100.00</b>

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED STERLING FUND**

### **Portfolio of Investments as at 31 December 2015 cont/d...**

	<b>31/12/15</b>	<b>30/06/15</b>
Net Asset Value	UK£9,079,178,590	UK£8,558,643,805
Number of Shares in issue - Platinum Shares	6,653,841,464	6,593,295,503
Advisory Shares	1,893,367,791	1,320,703,426
Institutional Shares	5,662,070	4,233,520
Investor Shares	2	-
Accumulate Shares	88	137
Reserved Shares	525,402,958	639,004,511
Net Asset Value per Share - Platinum Shares	UK£1.00	UK£1.00
Advisory Shares	UK£1.00	UK£1.00
Institutional Shares	UK£1.00	UK£1.00
Accumulate Shares	UK£10,254.188	UK£10,233.32
Reserved Shares	UK£1.00	UK£1.00

	<b>% of total gross assets</b>
<b>Analysis of total assets</b>	
Transferable securities and money market instruments traded on a regulated market (ref (a) above)	83.77
Deposits held with Credit Institutions	8.80
Other Current Assets	7.43
	<hr/> <b>100.00</b> <hr/>

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED STERLING FUND**

### **Significant Portfolio Changes since 1 July 2015**

The following Statement of Changes in the Portfolio reflect the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals greater than 1% of the total sales in the financial period. At a minimum the largest 20 purchases and sales are required to be disclosed, if applicable.

<b>MAJOR PURCHASES*</b>	<b>COUPON %</b>	<b>MATURITY</b>	<b>COST UK£</b>
ING Bank	0.44	15/12/2015	910,200,000
ING Bank	0.45	19/11/2015	910,000,000
ING Bank	0.44	10/12/2015	900,000,000
ING Bank	0.44	31/12/2015	900,000,000
ING Bank	0.44	11/12/2015	880,000,000
ING Bank	0.45	25/11/2015	880,000,000
ING Bank	0.44	15/09/2015	860,000,000
ING Bank	0.44	20/10/2015	850,000,000
ING Bank	0.45	17/11/2015	850,000,000
ING Bank	0.45	18/11/2015	850,000,000
ING Bank	0.45	20/11/2015	850,000,000
ING Bank	0.45	24/11/2015	850,000,000
ING Bank	0.45	26/11/2015	850,000,000
ING Bank	0.44	03/12/2015	846,500,000
ING Bank	0.44	14/09/2015	840,000,000
ING Bank	0.45	12/11/2015	840,000,000
ING Bank	0.44	15/10/2015	830,000,000
ING Bank	0.44	19/10/2015	830,000,000
ING Bank	0.44	18/12/2015	825,200,000
ING Bank	0.44	17/12/2015	823,300,000

<b>MAJOR SALES*</b>	<b>COUPON %</b>	<b>MATURITY</b>	<b>PROCEEDS UK£</b>
ING Bank	0.44	15/12/2015	910,200,000
ING Bank	0.45	19/11/2015	910,000,000
ING Bank	0.44	10/12/2015	900,000,000
ING Bank	0.44	31/12/2015	900,000,000
ING Bank	0.44	11/12/2015	880,000,000
ING Bank	0.45	25/11/2015	880,000,000
ING Bank	0.44	15/09/2015	860,000,000
ING Bank	0.44	20/10/2015	850,000,000
ING Bank	0.45	17/11/2015	850,000,000
ING Bank	0.45	18/11/2015	850,000,000
ING Bank	0.45	20/11/2015	850,000,000
ING Bank	0.45	24/11/2015	850,000,000
ING Bank	0.45	26/11/2015	850,000,000
ING Bank	0.44	03/12/2015	846,500,000
ING Bank	0.44	14/09/2015	840,000,000
ING Bank	0.45	12/11/2015	840,000,000
ING Bank	0.44	15/10/2015	830,000,000
ING Bank	0.44	19/10/2015	830,000,000
ING Bank	0.44	18/12/2015	825,200,000
ING Bank	0.44	17/12/2015	823,300,000

\* All of the above purchases and sales are time deposits.

Copies of all portfolio changes are available, free of charge, from the registered office of the Company and the Information Agent in the Netherlands.

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED EURO ULTRA SHORT FIXED INCOME FUND**

### **Investment Manager's Report for the financial period ended 31 December 2015**

#### **Review and Highlights of the Period**

The final estimate of euro area Quarter 3, 2015, GDP was revised up slightly to 0.4% quarter on quarter on the back of upward revisions to Italian and Greek Quarter 3 growth. Euro area Quarter 2, 2015, GDP was also revised up 0.1pp to 0.5% quarter on quarter, pushing the 2015 GDP forecast to 1.5% year on year vs. 1.3% year on year previously.

Looking at the expenditure breakdown, the main positive surprise came from net trade, which recorded the strongest contribution to growth since Quarter 4, 2013. This positive performance was driven by stronger exports, which likely benefitted from the positive impact of past euro depreciation, while imports slowed slightly, in line with domestic demand. The contribution of the latter to growth was significantly lower than in Quarter 1 (+0.2pp from +0.6pp in Quarter 1), mostly owing to a sharp drop in investment, while private and government consumption growth also decelerated.

IP data for July were mixed across countries, as Germany and France disappointed, while Italian and Spanish IP surprised to the upside. A rebound in construction drove the moderate rise in German IP, while all manufacturing subcategories fell markedly in France.

Euro area IP rebounded in July by 0.6% month on month. This is in line with resilient manufacturing business surveys so far, which suggest that industrial production should recover in Quarter 3, 2015 and positively contribute to growth, despite the expected slowdown in most EM countries.

ECB in its regular monetary policy meeting kept policy rates unchanged but decided to increase the issue share limit for the PSCP from 25% to 33% (subject to case-by-case verification that this would not create a case of blocking minority power). Moreover, during the press conference, President Draghi insisted on the willingness, readiness and ability of the GC to do more if needed, by using "all the instruments available within its mandate".

The ECB revised downwards growth and inflation projections for 2015-2017 in its September quarterly macroeconomic outlook update. Inflation was revised materially downwards to 0.1% this year, 1.1% in 2016 and 1.7% in 2017, in line with changes in exchange rates and oil prices over the summer. Moreover, the GC sees inflation risks to the downside, which is very unusual as risks around the projections for inflation are generally considered to be "balanced".

Around 1 million migrants have entered the EU in 2015 and thousands more are expected in the quarters ahead. In his speech on the state of the Union, European Commission President Juncker has unveiled a plan for bold, concerted action, with the proposal that 160,000 refugees are shared across the EU in a compulsory quota scheme.

Juncker also stressed the role of the European Commission in preserving the integrity of the euro area, and justified a political approach in the resolution of the Greek crisis. He called for further union and more action to boost jobs and growth and safeguard the integrity of EMU. The EC will present ambitious proposals in the coming weeks along the lines of the five presidents' report, starting with completing the Banking Union with a common deposit guarantee scheme, and some progress towards a political union in the euro area, a proposal which has already been rejected by German Finance Minister Schäuble.

The liquidity surplus reached €500 billion in Quarter 4, thanks also to the weekly QE purchases. The increase in the surplus pushed the EONIA fixing towards -14bp. Euribor fixings have moved lower as well, with the 3 month Euribor down to -4bp.

The fund's investment focus continues to be weighted towards financials, corporates and agencies. The quality of the fund has remained very high during the quarter with greater than 60% of the fund invested in securities in the highest short-term category (A-1+/P-1), comfortably above rating agency guidelines. The fund held no securities rated below A-1/P1.

#### **Performance and Net Assets**

The fund experienced outflows in the second half of 2015. Assets under management were down by 4% and reached a volume of 5.5 billion Euro at the end of 2015.

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED EURO ULTRA SHORT FIXED INCOME FUND**

**Investment Manager's Report for the financial period ended 31 December 2015 cont/d...**

### **Outlook for the Fund for the next six months**

Looking ahead, private consumption is expected to remain the main growth driver, supported by renewed weakness in oil prices (and therefore weak inflation) and slowly improving labour market conditions (both employment and wage growth). Investment remains a source of uncertainty and should only rebound modestly. Growth in productive investment is seen as only moderate, as very supportive financial conditions are offset by low growth prospects and high uncertainty, while construction investment should recover only slowly after the long downward adjustment that started in 2008. Net trade will likely face opposing forces: weaker external demand from China and most emerging market countries versus further strength in euro area exports to advanced economies, in particular the US and non-euro Europe. Chinese imports from the EU have been on a downward trend since the beginning of the year, with the latest August data pointing to a worrying contraction of c.15%.

In a speech ECB board member and Chief Economist Peter Praet explained that low interest rates were "a consequence of weak secular trends, coupled with the cyclical consequences of a complex debt crisis, exacerbated by a monetary union with institutional and structural flaws." He concluded that normalisation towards a situation where interest rates are higher would happen only gradually once these "underlying drivers that are holding real rates and inflation expectations down" were addressed, which requires structural and institutional reforms in the euro area. He echoed President Draghi's comment that the Governing Council was willing and able to act, if warranted, to counter downside risks on the inflation outlook. His speech supported the view that the ECB is likely to decide to expand the duration of the programme by at least six months when the GC meets in October, and could also expand the scope and the size of the programme before year-end.

In light of the weak inflation outlook and the ECB's downward revisions, we expect that the ECB will need to ease monetary policy further before year-end, most likely by lowering the depo rate further and extending its QE programme.

**Deutsche AWM International GmbH**

**January 2016**

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED EURO ULTRA SHORT FIXED INCOME FUND**

### **Portfolio of Investments as at 31 December 2015**

<b>Nominal</b>	<b>Security</b>	<b>Credit Rating</b>	<b>Coupon %</b>	<b>Maturity</b>	<b>Classification</b>	<b>Market Value €</b>	<b>Fund %</b>
<b>Commercial Papers - 3.78% (June 2015 - 4.53%)</b>							
600,000	CSC Capital Funding	A-2	0.01	21/04/2016	(a)	599,640	2.06
500,000	Vodafone Group	A-2	0.01	01/07/2016	(a)	499,529	1.72
						<b>1,099,169</b>	<b>3.78</b>
<b>Floating Rate Notes - 26.64% (June 2015 - 44.21%)</b>							
550,000	Citigroup	A-2	1.16	30/11/2017	(a)	550,825	1.90
500,000	Credit Agricole	A-1	0.31	28/01/2016	(a)	500,143	1.72
900,000	Credit Suisse	A-1	0.14	23/09/2016	(a)	900,612	3.10
530,000	Credit Suisse	A-1	0.20	30/03/2017	(a)	530,305	1.82
500,000	Deutsche Bank	A-2	0.13	11/03/2016	(a)	500,088	1.72
350,000	Goldman Sachs Group	A-2	0.26	23/05/2016	(a)	350,249	1.21
500,000	JP Morgan Chase & Co	A-2	0.16	20/11/2016	(a)	500,375	1.72
900,000	JP Morgan Chase & Co	A-2	0.48	12/06/2017	(a)	904,523	3.11
1,000,000	National Australia Bank	A-1+	0.23	16/01/2018	(a)	998,935	3.44
1,000,000	Pohjola Bank	A-1+	0.23	03/03/2017	(a)	1,002,494	3.45
1,000,000	Westpac Securities	A-1+	0.28	10/03/2017	(a)	1,002,469	3.45
						<b>7,741,018</b>	<b>26.64</b>
<b>Medium Term Notes - 68.23% (June 2015 - 50.18%)</b>							
900,000	AIB Mortgage Bank	A-1+	2.63	29/07/2016	(a)	912,645	3.14
1,000,000	Bankinter	A-3	2.75	26/07/2016	(a)	1,015,120	3.49
500,000	Banque Federative du Credit Mutuel	A-1	4.38	31/05/2016	(a)	508,880	1.75
1,000,000	BMW Finance	A-1	1.00	24/10/2016	(a)	1,007,145	3.47
900,000	BNP Paribas	A-1	2.63	16/09/2016	(a)	916,677	3.15
1,000,000	BP Capital Markets	A-1	3.47	01/06/2016	(a)	1,014,215	3.49
900,000	Commonwealth Bank of Australia	A-1+	4.25	10/11/2016	(a)	932,283	3.21
900,000	Rabobank	A-1	4.38	05/05/2016	(a)	913,266	3.14
1,000,000	Daimler	A-2	1.00	08/07/2016	(a)	1,004,725	3.46
450,000	ENI	A-2	5.00	28/01/2016	(a)	451,357	1.55
240,000	FCE Bank	A-3	1.63	09/09/2016	(a)	242,021	0.83
1,000,000	GE Capital European Funding	A-1+	4.13	27/10/2016	(a)	1,033,420	3.57
1,000,000	Goldman Sachs Group	A-2	4.50	09/05/2016	(a)	1,015,205	3.49
1,000,000	HSBC Bank	A-1+	3.75	30/11/2016	(a)	1,033,155	3.56
470,000	Lloyds Bank	A-1	6.38	17/06/2016	(a)	483,489	1.66
1,000,000	McDonald's	A-2	4.25	10/06/2016	(a)	1,017,789	3.50
1,400,000	Morgan Stanley	A-2	4.50	23/02/2016	(a)	1,408,504	4.86
500,000	National Australia Bank	A-1+	4.75	15/07/2016	(a)	512,518	1.76
500,000	Rabobank	A-1	3.88	20/04/2016	(a)	505,728	1.74
500,000	RCI Banque	A-2	4.00	25/01/2016	(a)	501,113	1.72
500,000	Santander International Debt	A-2	4.63	21/03/2016	(a)	504,815	1.74
500,000	Telefonica Emisiones	A-2	5.50	01/04/2016	(a)	506,405	1.74
967,000	Vattenfall	A-2	5.25	17/03/2016	(a)	976,747	3.36
500,000	Volkswagen International Finance	A-2	1.00	26/10/2016	(a)	498,588	1.72

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED EURO ULTRA SHORT FIXED INCOME FUND**

### **Portfolio of Investments as at 31 December 2015 cont/d...**

<b>Nominal</b>	<b>Security</b>	<b>Credit Rating</b>	<b>Coupon %</b>	<b>Maturity</b>	<b>Classification</b>	<b>Market Value €</b>	<b>Fund %</b>
<b>Medium Term Notes - 68.23% (June 2015 - 50.18%) cont/d...</b>							
900,000	Volkswagen Leasing	A-2	3.38	03/06/2016	(a)	910,080	3.13
						<b>19,825,890</b>	<b>68.23</b>

### **Total Investments**

Other Net Assets 28,666,077 98.65  
393,403 1.35

### **Net Assets attributable to holders of redeemable participating shares**

**29,059,480 100.00**

	<b>31/12/15</b>	<b>30/06/15</b>
Net Asset Value	€29,059,480	€11,047,495
Number of Shares in issue - Accumulate Shares	2,892	1,100
Net Asset Value per Share - Accumulate Shares	€10,047.19	€10,043.18

### **Analysis of total assets**

Transferable securities and money market instruments traded on a regulated market (ref (a) above)

Other Current Assets

**% of total gross assets**

98.65

1.35

**100.00**

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED EURO ULTRA SHORT FIXED INCOME FUND**

### **Significant Portfolio Changes since 1 July 2015**

The following Statement of Changes in the Portfolio reflect the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals greater than 1% of the total sales in the financial period. At a minimum the largest 20 purchases and sales are required to be disclosed, if applicable.

<b>MAJOR PURCHASES</b>	<b>COUPON %</b>	<b>MATURITY</b>	<b>COST €</b>
Casino Guichard Perrachon	0.01	28/08/2015	1,199,878
GE Capital European Funding	4.13	27/10/2016	1,050,490
HSBC Bank	3.75	30/11/2016	1,049,000
Goldman Sachs Group	4.50	09/05/2016	1,035,520
BP Capital Markets	3.47	01/06/2016	1,028,960
Bankinter	2.75	26/07/2016	1,026,900
BMW Finance	1.00	24/10/2016	1,010,540
Daimler	1.00	08/07/2016	1,008,390
Pohjola Bank	0.34	03/03/2017	1,003,700
Westpac Securities	0.39	10/03/2017	1,003,220
National Australia Bank	0.26	16/01/2018	1,000,249
Vattenfall	5.25	17/03/2016	999,820
Commonwealth Bank of Australia	4.25	10/11/2016	948,267
Rabobank	4.38	05/05/2016	931,077
Volkswagen Leasing	3.38	03/06/2016	925,938
BNP Paribas	2.63	16/09/2016	925,749
Morgan Stanley	4.50	23/02/2016	923,850
AIB Mortgage Bank	2.63	29/07/2016	922,182
JP Morgan Chase & Co	0.59	12/06/2017	905,436
Credit Suisse	0.26	23/09/2016	899,838
CSC Capital Funding	0.01	21/04/2016	599,431
Citigroup	1.16	30/11/2017	550,935
National Australia Bank	4.75	15/07/2016	523,050
McDonald's	4.25	10/06/2016	519,150
McDonald's	4.25	10/06/2016	518,350
Vodafone Group	0.01	01/07/2016	499,073
Volkswagen International Finance	1.00	26/10/2016	497,675
Lloyds Bank	6.38	17/06/2016	497,227
FCE Bank	1.63	09/09/2016	242,352
Alstom	0.01	27/11/2015	199,944

<b>MAJOR SALES</b>	<b>COUPON %</b>	<b>MATURITY</b>	<b>PROCEEDS €</b>
Casino Guichard Perrachon	0.01	28/08/2015	1,200,000
Instituto de Credito Oficial	2.38	31/10/2015	530,000
AIB Mortgage Bank	3.13	04/12/2015	500,000
Bank of China	0.01	07/07/2015	500,000
Barclays Bank	0.41	31/07/2015	500,000
BNP Paribas	1.00	13/11/2015	500,000
Commonwealth Bank of Australia	0.62	17/09/2015	500,000
ING Bank	2.13	10/07/2015	500,000
Intesa Sanpaolo	1.50	29/07/2015	500,000
Royal Bank of Scotland	4.88	15/07/2015	500,000
Volkswagen Leasing	0.51	23/09/2015	500,000
Alstom	0.01	27/11/2015	200,000

There were no other sales during the financial period.

Copies of all portfolio changes are available, free of charge, from the registered office of the Company and the Information Agent in the Netherlands.

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED STERLING ULTRA SHORT FIXED INCOME FUND**

### **Investment Manager's Report for the financial period ended 31 December 2015**

#### **Review and Highlights of the Period**

UK industrial production fell for the second consecutive month (-0.4% month on month, 0.8% year on year in July 2015 after -0.4% month on month, 1.5% year on year in June 2015), while manufacturing registered a significant downward surprise (-0.8% month on month, -0.5% year on year in July after 0.2% month on month, 0.5% year on year in June). This weaker-than-expected print was echoed by the Quarter 3, 2015, Outlook Report from EEF, the manufacturing representative body. In the report the manufacturing growth forecast more than halved; at the start of the year it was at 1.7% for 2015 whereas in September it is at 0.7%. Of particular concern is the significant drop in investment goods, which has begun to show trend weakness, and the potential spill over this would have on economic activity if weakness continues.

International trade also showed substantial downside in July, with exports falling 9.5% month on month in real terms, cancelling out a strong second quarter; particular declines were noted in consumer goods and passenger cars. Anecdotally, the EEF report cited sterling strength and weak global demand for poor exports, noting that "exporters have had their worst quarter for new sales in six years". Geographically, weakness came from exports to non-EU countries, falling 15.1% month on month, while EU exports contracted by only 3.7% month on month.

The RICS survey for August pointed to further acceleration in house prices and came in at its highest level in over 12 months. While the London area has been recovering from cyclical lows reached in January, the strongest increases came from East Anglia, Northern Ireland and Yorkshire & Humberside, but also from the south east and south west.

The August Halifax house price index confirmed upside momentum and surprised by growing 2.7% month on month and 9.0% year on year. The RICS survey also continued to point to a challenging supply picture. Given such lack of supply, even the modest increase in enquiries and low levels of transaction seems enough to push prices up again.

The July Labour Report showed that job growth has slowed but remains positive. The headline ILO unemployment rate dropped to 5.5% in July and also the numbers of long-term unemployed continues to fall rapidly. Household real wage and salary income continues to rise, and this is likely to continue to support strong consumer spending growth in coming months.

CPI inflation data for August were broadly in line with expectations, consistent with the view that underlying inflation pressures remain fairly contained. While headline inflation surprised slightly to the downside declining to 0.0%, core prices corrected 0.2pp to the downward in line with the expectation that calendar effects biased to the upside in the July print.

The August inflation release revealed once more the absence of inflationary pressure, and not just in the headline, as core inflation just wobbles around 1%. Against this backdrop, latest hawkish comments by MPC members sound rather hollow.

The BoE kept its policy stance broadly unchanged and the balance of voting remained at 8 against 1 in favour of the status quo. The minutes of the meeting were fairly balanced with the MPC highlighting that it was still too early to draw conclusions from the latest developments in China and their possible impact on the UK economy. While Governor Carney already hinted in Jackson Hole that recent concerns about China would not at this point change the BoE's rate strategy, this was confirmed by discussions among MPC members today. While the committee seems to acknowledge the seriousness of latest developments, it also highlighted that it remained "unclear how the situation might evolve and what the impact on the global activity might be". For instance, while weaker Chinese demand poses downside risk to growth, lower commodity prices might actually "provide some countervailing support to spending in commodity importing economies".

Contrasting with weakness stemming from the global economy, the MPC repeated its previous message in highlighting the strength of the domestic outlook. Even if the most recent data and surveys came in on the soft side, the Bank believes that the message from the August Inflation Report still holds and that levels of activity will remain elevated despite headwinds from the global economy and fiscal consolidation.

The fund's investment focus continues to be weighted towards financials, corporates and agencies. The quality of the fund has remained very high during the quarter with greater than 60% of the fund invested in securities in the highest short-term category (A-1+/P-1), comfortably above rating agency guidelines. The fund held no securities rated below A-1/P-1.

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED STERLING ULTRA SHORT FIXED INCOME FUND**

**Investment Manager's Report for the financial period ended 31 December 2015 cont/d...**

### **Performance and Net Assets**

The fund experienced inflows in the second half of 2015. Assets under management were up by 6% and reached a volume of 9.1 billion GBP at the end of 2015.

### **Outlook for the Fund for the next six months**

Weakness in production and exports underscores the expectation of GDP growth moderating. The goods manufacturing and goods exporting sector remains a cause for concern as the structural lack of competitiveness is magnified by currency appreciation and government policies (fiscal consolidation and the EU referendum).

CPI inflation is expected to re-enter negative territory in the near term, before slowly returning to positive territory around the end of the year, supported by energy base effects.

When it comes to monetary policy it was notable that the MPC dropped the reference to a "finely balanced decision" for some members, highlighting that at the margin, the Bank shifted to a slightly more dovish stance. The committee acknowledged that it was monitoring the situation closely.

We believe that the BoE will hike in Quarter 4 of 2016 by 25bp but see increasing risks to this call.

**Deutsche AWM International GmbH**

**January 2016**

# DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

## DEUTSCHE MANAGED STERLING ULTRA SHORT FIXED INCOME FUND

### Portfolio of Investments as at 31 December 2015

Nominal	Security	Credit Rating	Coupon %	Maturity	Classification	Market Value UK£	Fund %
<b>Commercial Papers – 3.31% (June 2015 - 6.64%)</b>							
500,000	Abbey National	A-1	0.01	04/02/2016	(a)	499,578	3.31
						<b>499,578</b>	<b>3.31</b>
<b>Floating Rate Notes – 44.39% (June 2015 - 22.82%)</b>							
600,000	ASB Finance	A-1+	1.16	13/03/2017	(a)	601,278	3.98
540,000	Bank of Nova Scotia	A-1	0.77	02/11/2017	(a)	539,544	3.57
500,000	Banque Federative du Credit Mutuel	A-1	1.17	16/05/2016	(a)	500,488	3.32
600,000	BMW US Capital	A-1	0.83	06/02/2017	(a)	598,242	3.96
500,000	BNP Paribas	A-1	1.18	16/05/2016	(a)	500,655	3.32
600,000	BPCE	A-1	1.38	06/03/2017	(a)	601,662	3.99
220,000	Credit Suisse	A-1	0.98	14/03/2016	(a)	220,055	1.46
400,000	Credit Suisse	A-1	0.98	15/07/2016	(a)	400,038	2.65
600,000	Deutsche Bank AG London	A-2	0.98	12/02/2016	(a)	599,973	3.97
500,000	Pohjola Bank	A-1+	1.02	21/05/2018	(a)	499,313	3.31
520,000	Skandinaviska Enskilda Banken	A-1	0.97	19/11/2018	(a)	520,348	3.45
550,000	Swedbank	A-1+	0.87	02/06/2017	(a)	549,486	3.64
570,000	Toronto Dominion	A-1+	0.77	20/11/2017	(a)	569,481	3.77
						<b>6,700,563</b>	<b>44.39</b>
<b>Medium Term Notes – 51.23% (June 2015 - 68.86%)</b>							
600,000	Akzo Nobel	A-2	8.00	06/04/2016	(a)	610,131	4.04
600,000	ASIF III Jersey	A+	5.38	14/10/2016	(a)	619,745	4.11
520,000	British Telecommunications	A-2	8.50	07/12/2016	(a)	554,970	3.68
600,000	Daimler	A-2	1.63	02/12/2016	(a)	602,982	3.99
500,000	GE Capital UK Funding	A-1+	4.63	18/01/2016	(a)	500,725	3.32
500,000	ING Bank	A-1	3.88	23/12/2016	(a)	513,370	3.40
600,000	JP Morgan Chase Bank	A-2	5.38	28/09/2016	(a)	618,264	4.10
562,000	La Poste	A-1	5.63	19/12/2016	(a)	585,596	3.88
510,000	London Stock Exchange Group	A-2	5.88	07/07/2016	(a)	521,493	3.45
500,000	Rentokil Initial	A-2	5.75	31/03/2016	(a)	505,573	3.35
500,000	Rolls-Royce	A-1	7.38	14/06/2016	(a)	514,033	3.41
500,000	Svenska Handelsbanken	A-1+	5.50	26/05/2016	(a)	509,235	3.37
560,000	UBS	A-1	6.38	20/07/2016	(a)	577,261	3.82
500,000	Volkswagen Financial Services	A-2	1.25	23/05/2016	(a)	498,750	3.31
						<b>7,732,128</b>	<b>51.23</b>
<b>Total Investments</b>						<b>14,932,269</b>	<b>98.93</b>
Other Net Assets						161,677	1.07
<b>Net Assets attributable to holders of redeemable participating shares</b>						<b>15,093,946</b>	<b>100.00</b>

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED STERLING ULTRA SHORT FIXED INCOME FUND**

Portfolio of Investments as at 31 December 2015 cont/d...

	<b>31/12/15</b>	<b>30/06/15</b>
Net Asset Value	UK£15,093,946	UK£15,011,172
Number of Shares in issue - Reserved Shares	1,507	1,500
Net Asset Value per Share - Reserved Shares	UK£10,012.50	UK£10,004.25

### **Analysis of total assets**

Transferable securities and money market instruments traded on a regulated market (ref (a) above)

Other Current Assets

### **% of total gross assets**

98.87

1.13

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100.00

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **DEUTSCHE MANAGED STERLING ULTRA SHORT FIXED INCOME FUND**

### **Significant Portfolio Changes since 1 July 2015**

The following Statement of Changes in the Portfolio reflect the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals greater than 1% of the total sales in the financial period. At a minimum the largest 20 purchases and sales are required to be disclosed, if applicable.

<b>MAJOR PURCHASES*</b>	<b>COUPON %</b>	<b>MATURITY</b>	<b>COST UK£</b>
ASIF III Jersey	5.38	14/10/2016	622,380
JP Morgan Chase Bank	5.38	28/09/2016	621,690
Daimler	1.63	02/12/2016	602,712
ASB Finance	1.16	13/03/2017	601,350
La Poste	5.63	19/12/2016	587,290
Toronto Dominion	0.79	20/11/2017	569,367
British Telecommunications	8.50	07/12/2016	555,859
Swedbank	0.87	02/06/2017	549,610
Bank of Nova Scotia	0.77	02/11/2017	539,519
Rolls-Royce	7.38	14/06/2016	529,420
London Stock Exchange Group	6.13	07/07/2016	528,207
Skandinaviska Enskilda Banken	0.97	19/11/2018	520,000
ING Bank	3.88	23/12/2016	513,595
BNP Paribas	1.19	16/05/2016	500,985
Pohjola Bank	1.02	21/05/2018	500,000

<b>MAJOR SALES*</b>	<b>COUPON %</b>	<b>MATURITY</b>	<b>PROCEEDS UK£</b>
Citigroup	5.50	18/11/2015	600,000
FCE Bank	5.13	16/11/2015	600,000
Goldman Sachs Group	5.25	15/12/2015	600,000
Nordea Bank	3.88	15/12/2015	600,000
QBE Insurance Group	6.13	28/09/2015	600,000
ANZ New Zealand International	1.50	17/12/2015	500,000
Commonwealth Bank of Australia	3.88	14/12/2015	500,000
Daimler	1.38	10/12/2015	500,000
Danske Bank	4.00	09/12/2015	500,000
Heineken	0.01	06/07/2015	500,000
Morgan Stanley	5.13	30/11/2015	500,000
Prudential	1.25	16/11/2015	500,000
Rabobank Nederland	4.00	10/09/2015	500,000
Swedbank	1.22	06/11/2015	500,000
Westpac Banking Corporation	1.38	23/12/2015	500,000

\*There were no other purchases and sales during the financial period.

Copies of all portfolio changes are available, free of charge, from the registered office of the Company and the Information Agent in the Netherlands.

## DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

### Statement of Comprehensive Income for the financial period ended 31 December 2015

	Note	MDF Period ended 31/12/15 US\$	MEF Period ended 31/12/15 €	MSF Period ended 31/12/15 UK£	EUSFIF Period ended 31/12/15 €	SUSFIF* Period ended 31/12/15 UK£	TOTAL Period ended 31/12/15 €
Gross Income/(Expense)**		21,633,569	(1,634,394)	25,203,270	28,105	81,116	53,153,392
Net gains on financial assets at fair value through profit or loss	3	17,865	-	-	7,990	9,393	37,283
<b>Total Investment Income/(Expense)</b>		<b>21,651,434</b>	<b>(1,634,394)</b>	<b>25,203,270</b>	<b>36,095</b>	<b>90,509</b>	<b>53,190,675</b>
Operating Expenses	4	(9,881,865)	(2,066,301)	(5,152,731)	(23,289)	(7,707)	(18,243,997)
<b>Operating Profit/(Loss)</b>		<b>11,769,569</b>	<b>(3,700,695)</b>	<b>20,050,539</b>	<b>12,806</b>	<b>82,802</b>	<b>34,946,678</b>
<b>Finance Costs</b>							
Bank Interest		-	-	-	(90)	-	(90)
<b>Net Income/(Expense)</b>		<b>11,769,569</b>	<b>(3,700,695)</b>	<b>20,050,539</b>	<b>12,716</b>	<b>82,802</b>	<b>34,946,588</b>
<b>Net increase/(decrease) in the Assets Attributable to Holders of Redeemable Participating Shareholders resulting from operations</b>		<b>11,769,569</b>	<b>(3,700,695)</b>	<b>20,050,539</b>	<b>12,716</b>	<b>82,802</b>	<b>34,946,588</b>

\*The Deutsche Managed Sterling Ultra Short Fixed Income Fund launched on 13 May 2015, therefore there are no comparatives.

\*\*These costs are related to negative interest rates charged for Euro cash balances held on the Deutsche Managed Euro Fund.

Gains and losses arose solely from continuing operations. There were no gains/(losses) other than those dealt with in the Statement of Comprehensive Income. The notes to the Financial Statements are an integral part of these Financial Statements.

## DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

### Statement of Comprehensive Income for the financial period ended 31 December 2014 (Restated\*)

	Note	MDF Period ended 31/12/14 US\$	MEF Period ended 31/12/14 €	MSF Period ended 31/12/14 UK£	EUSFIF Period ended 31/12/14 €	TOTAL Period ended 31/12/14 €
Gross Income		14,297,325	6,061,438	19,536,424	28,095	42,169,142
Net gains on financial assets at fair value through profit or loss	3	10,554	36,205	-	2,044	46,551
<b>Total Investment Income</b>		14,307,879	6,097,643	19,536,424	30,139	42,215,693
Operating Expenses	4	(9,769,500)	(4,738,444)	(4,404,959)	(14,367)	(18,036,751)
<b>Operating Profit</b>		4,538,379	1,359,199	15,131,465	15,772	24,178,942
<b>Finance Costs</b>						
Bank Interest		-	-	-	(14)	(14)
<b>Net Income</b>		4,538,379	1,359,199	15,131,465	15,758	24,178,928
<b>Net increase in the Assets Attributable to Holders of Redeemable Participating Shareholders resulting from operations</b>		4,538,379	1,359,199	15,131,465	15,758	24,178,928

\*Prior financial period balances have been restated to show the impact of the IAS 39 election – see Note 2 and Note 17 for further details. Distributions have also been moved to the Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders.

Gains and losses arose solely from continuing operations. There were no gains/(losses) other than those dealt with in the Statement of Comprehensive Income. The notes to the Financial Statements are an integral part of these Financial Statements.

## DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

### Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shareholders for the financial period ended 31 December 2015

	Note	MDF Period ended 31/12/15 US\$	MEF Period ended 31/12/15 €	MSF Period ended 31/12/15 UK£	EUSFIF Period ended 31/12/15 €	SUSFIF** Period ended 31/12/15 UK£	TOTAL Period ended 31/12/15 €
<b>Net assets attributable to Redeemable Participating Shareholders at the beginning of the financial period</b>		14,854,995,343	5,664,754,770	8,558,643,805	11,047,495	15,011,172	31,109,370,084
<b>Share Transactions</b>							
Amounts received on sale of shares issued	14	63,619,544,115	15,279,943,524	28,917,564,257	23,000,138	70,281	113,335,517,879
Less: Amounts paid on repurchase of shares	14	(64,023,622,677)	(15,483,526,237)	(28,397,031,957)	(5,000,869)	-	(113,167,225,025)
		(404,078,562)	(203,582,713)	520,532,300	17,999,269	70,281	168,292,854
Net increase/(decrease) in net assets attributed to Redeemable Participating Shareholders resulting from operations		11,769,569	(3,700,695)	20,050,539	12,716	82,802	34,946,588
Distributions to Redeemable Participating Shareholders	8	(11,564,267)	3,497,294	(20,048,054)	-	(70,309)	(34,929,545)
Foreign Currency Translation*		-	-	-	-	-	(145,001,659)
<b>Net Assets Attributable to Holders of Redeemable Participating Shareholders at the end of the financial period</b>		14,451,122,083	5,460,968,656	9,079,178,590	29,059,480	15,093,946	31,132,678,322

\*A notional foreign exchange adjustment occurs as opening balances are translated at financial period end exchange rates which differ each financial period.

\*\* The Deutsche Managed Sterling Ultra Short Fixed Income Fund launched on 13 May 2015, therefore there are no comparatives.

The notes to the Financial Statements are an integral part of these Financial Statements.

## **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

### **Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shareholders for the financial period ended 31 December 2014**

		<b>MDF</b>	<b>MEF</b>	<b>MSF</b>	<b>EUSFIF</b>	<b>TOTAL</b>
	<b>Note</b>	<b>Period ended</b>				
		<b>31/12/14</b>	<b>31/12/14</b>	<b>31/12/14</b>	<b>31/12/14</b>	<b>31/12/14</b>
		<b>US\$</b>	<b>€</b>	<b>UK£</b>	<b>€</b>	<b>€</b>
<b>Net assets attributable to Redeemable Participating Shareholders at the beginning of the financial period</b>		14,630,484,202	8,811,013,326	7,011,386,448	11,032,486	28,264,042,085
<b>Share Transactions</b>						
Amounts received on sale of shares issued	14	78,158,628,262	30,388,016,491	24,101,452,091	-	122,503,452,864
Less: Amounts paid on repurchase of shares	14	(79,330,082,465)	(31,171,729,661)	(24,198,464,769)	-	(124,331,943,665)
		(1,171,454,203)	(783,713,170)	(97,012,678)	-	(1,828,490,801)
Net increase in net assets attributed to Redeemable Participating Shareholders resulting from operations		4,538,379	1,359,199	15,131,465	15,758	24,178,928
Distributions to Redeemable Participating Shareholders	8	(4,500,967)	(1,342,075)	(15,124,364)	-	(24,107,592)
Foreign Currency Translation*		-	-	-	-	1,635,304,543
<b>Net Assets Attributable to Holders of Redeemable Participating Shareholders at the end of the financial period</b>		13,459,067,411	8,027,317,280	6,914,380,871	11,048,244	28,070,927,163

\*A notional foreign exchange adjustment occurs as opening balances are translated at financial period end exchange rates which differ each financial period.

The notes to the Financial Statements are an integral part of these Financial Statements.

## **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

### Statement of Financial Position as at 31 December 2015

		MDF	MEF	MSF	EUSFIF	SUSFIF	TOTAL
		31/12/15	31/12/15	31/12/15	31/12/15	31/12/15	31/12/15
	Note	US\$	€	UK£	€	UK£	€
<b>CURRENT ASSETS</b>							
Financial assets at fair value through profit or loss		13,302,583,286	5,168,470,110	8,418,376,187	28,666,077	14,932,269	28,885,661,572
Debtors		28,341,971	18,048,104	13,753,364	426,766	163,064	63,447,777
Cash and bank balances	6	1,144,842,179	368,075,387	661,912,076	4,650	8,252	2,320,099,381
<b>TOTAL CURRENT ASSETS</b>		<b>14,475,767,436</b>	<b>5,554,593,601</b>	<b>9,094,041,627</b>	<b>29,097,493</b>	<b>15,103,585</b>	<b>31,269,208,730</b>
<b>CURRENT LIABILITIES</b>							
Creditors – Amounts falling due within one year	7	(24,645,353)	(93,624,945)	(14,863,037)	(38,013)	(9,639)	(136,530,408)
<b>TOTAL CURRENT LIABILITIES</b>		<b>(24,645,353)</b>	<b>(93,624,945)</b>	<b>(14,863,037)</b>	<b>(38,013)</b>	<b>(9,639)</b>	<b>(136,530,408)</b>
Net Assets Attributable to Redeemable Participating Shareholders		<u>14,451,122,083</u>	<u>5,460,968,656</u>	<u>9,079,178,590</u>	<u>29,059,480</u>	<u>15,093,946</u>	<u>31,132,678,322</u>

The notes to the Financial Statements are an integral part of these Financial Statements.

## **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

### **Statement of Financial Position as at 30 June 2015 (Restated\*)**

	Notes	MDF 30/06/15 US\$	MEF 30/06/15 €	MSF 30/06/15 UK£	EUSFIF 30/06/15 €	SUSFIF 30/06/15 UK£	TOTAL 30/06/15 €
<b>CURRENT ASSETS</b>							
Financial assets at fair value through profit or loss		14,496,096,531	5,398,928,891	7,955,497,737	10,927,927	14,758,717	29,669,654,834
Debtors		10,075,501	12,629,342	6,587,149	102,171	217,522	31,378,659
Cash and bank balances	6	361,799,967	254,709,834	605,567,143	32,064	36,865	1,434,228,396
<b>TOTAL CURRENT ASSETS</b>		<b>14,867,971,999</b>	<b>5,666,268,067</b>	<b>8,567,652,029</b>	<b>11,062,162</b>	<b>15,013,104</b>	<b>31,135,261,889</b>
<b>CURRENT LIABILITIES</b>							
Creditors – Amounts falling due within one year	7	(12,976,656)	(1,513,297)	(9,008,224)	(14,667)	(1,932)	(25,891,805)
<b>TOTAL CURRENT LIABILITIES</b>		<b>(12,976,656)</b>	<b>(1,513,297)</b>	<b>(9,008,224)</b>	<b>(14,667)</b>	<b>(1,932)</b>	<b>(25,891,805)</b>
Net Assets Attributable to Redeemable Participating Shareholders		<u>14,854,995,343</u>	<u>5,664,754,770</u>	<u>8,558,643,805</u>	<u>11,047,495</u>	<u>15,011,172</u>	<u>31,109,370,084</u>

\*Prior financial period balances have been restated to show the impact of the IAS 39 election – see Note 2 and Note 17 for further details.

The notes to the Financial Statements are an integral part of these Financial Statements.

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **Notes to the Interim Financial Statements for the financial period ended 31 December 2015**

### **1. Accounting Policies**

#### **Basis of Presentation**

These interim financial statements for the financial period ended 31 December 2015 have been prepared in accordance with the Financial Reporting Standard 104 'Interim Financial Reporting' ("FRS 104"), as published by the Financial Reporting Council ("FRC"), Irish Statute pursuant to the Companies Act, 2014 and in accordance with the UCITS Regulations.

The condensed unaudited Financial Statements should be read in conjunction with the Company's annual audited Financial Statements for the financial year ended 30 June 2015 which have been prepared in accordance with accounting standards derived from the prior year accounting framework ("previous Irish GAAP"), in accordance with Irish statute comprising the Companies Act, 2014 and the applicable UCITS Regulations as issued by the Central Bank. Previous Irish GAAP for preparing the prior year end Financial Statements were those published by the Institute of Chartered Accountants in Ireland and issued by the FRC. The Statement of Financial Position is presented using last traded market prices – this differs from the prior year financials which were prepared using bid prices under previous Irish GAAP.

The Company has availed of the exemption available to open-ended investment funds under FRS 102 (Section 7.1A (c)) and is not presenting a cash flow statement.

All references to net assets throughout the documents refers to net assets attributable to holders of Redeemable Participating Shares unless otherwise stated.

#### **Transition to FRS 102**

From 1 July 2015 the Company has adopted FRS 102 and accordingly the comparative amounts presented for the financial period ended 31 December 2014 are based on the Company's financial statements for that financial period after adjustment for the transition to FRS 102.

The transition to FRS 102 has not resulted in any change to the financial position, financial performance or profit and loss amounts of the Company to that previously reported and presented in the financial statements as at 30 June 2015. The measurement basis to determine the Fund's financial position and performance in the current financial period is the same as that reported under the previous financial reporting framework at 30 June 2015.

#### **Accounting Policies**

The principal accounting policies are consistent with those applied to the previous annual financial statements except as noted above.

### **2. Fair Value Reconciliation**

Changes in the Company's accounting policies have been made as required in accordance with the transitional provisions in the respective FRS. The transition to FRS 102 has resulted in some balances being accounted for differently and had no material effect on the amounts reported for the current or prior year financial years.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As a result of the Company's decision to implement the recognition and measurement provisions of International Accounting Standards ("IAS 39") Financial Instruments: Recognition, the fair value of assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the reporting date. Prior to 1 July 2015, the quoted market price used for financial assets held by the Company was the current bid price; the quoted market price for financial liabilities was the current ask price. The Company changed its fair valuation input to utilise the last traded market price for both financial assets and liabilities. Where the last traded market price is not within the bid-ask spread, management will determine the point within the bid-ask spread which is most representative of fair value.

Investments in open-ended collective investment schemes are valued at fair value at the latest available unaudited Net Asset Value for the shares or units obtained from the relevant administrator or, for quoted or exchange traded Funds, at quoted market prices at the Statement of Financial Position date.

## **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

Notes to the Interim Financial Statements for the financial period ended 31 December 2015 cont/d...

### **3. Net gains on investments at fair value through profit & loss**

<b>Financial period ended 31 December 2015</b>	<b>MDF US\$</b>	<b>MEF €</b>	<b>MSF UK£</b>	<b>EUSFIF €</b>	<b>SUSFIF** UK£</b>	<b>TOTAL €</b>
Proceeds from sales* of investments during the financial period	464,607,345,717	147,882,666,000	129,829,125,000	6,430,000	8,000,000	751,019,512,782
Original cost of investments sold during the financial period	(464,607,327,852)	(147,882,666,000)	(129,829,125,000)	(6,422,010)	(7,990,607)	(751,019,475,499)
Profit realised on investments sold	17,865	-	-	7,990	9,393	37,283
<b>Total gains on Investments</b>	<b>17,865</b>	<b>-</b>	<b>-</b>	<b>7,990</b>	<b>9,393</b>	<b>37,283</b>

\* Including maturities.

\*\* The Deutsche Managed Sterling Ultra Short Fixed Income Fund launched on 13 May 2015, therefore there is no comparatives.

<b>Financial period ended 31 December 2014</b>	<b>MDF US\$</b>	<b>MEF €</b>	<b>MSF UK£</b>	<b>EUSFIF €</b>	<b>TOTAL €</b>
Proceeds from sales* of investments during the financial period	475,909,555,003	153,124,952,308	108,513,419,000	3,490,000	665,412,125,920
Original cost of investments sold during the financial period	(475,909,544,449)	(153,124,916,103)	(108,513,419,000)	(3,487,956)	(665,412,079,369)
Profit realised on investments sold	10,554	36,205	-	2,044	46,551
<b>Total gains on Investments</b>	<b>10,554</b>	<b>36,205</b>	<b>-</b>	<b>2,044</b>	<b>46,551</b>

\* Including maturities.

## DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

Notes to the Interim Financial Statements for the financial period ended 31 December 2015 cont/d...

### 4. Expenses

Financial period ended 31 December 2015	MDF US\$	MEF €	MSF UK£	EUSFIF €	SUSFIF* UK£	TOTAL €
<b>Payable to the Investment Manager (by share class)</b>						
Platinum Share Class	(4,595,727)	(1,078,550)	(3,248,342)	-	-	(9,767,792)
Advisory Share Class	(3,904,857)	(750,902)	(1,387,588)	-	-	(6,230,913)
Institutional Share Class	(312,586)	(3,565)	(13,184)	-	-	(306,506)
Investor Share Class	(667,101)	-	-	-	-	(607,505)
Accumulate Share Class	(335,261)	(101,698)	(1,127)	(23,289)	-	(431,860)
Reserved Share Class	(66,333)	(122,925)	(502,490)	-	(7,707)	(890,760)
Z-Share Class**	-	(8,661)	-	-	-	(8,661)
<b>Total expenses</b>	<b>(9,881,865)</b>	<b>(2,066,301)</b>	<b>(5,152,731)</b>	<b>(23,289)</b>	<b>(7,707)</b>	<b>(18,243,997)</b>

\*The Deutsche Managed Sterling Ultra Short Fixed Income Fund launched on 13 May 2015, therefore there are no comparatives.

\*\*The Z-Share Class launched on 4 September 2015, therefore there are no comparatives.

Financial period ended 31 December 2014	MDF US\$	MEF €	MSF UK£	EUSFIF €	TOTAL €
<b>Payable to the Investment Manager (by share class)</b>					
Platinum Share Class	(4,016,732)	(1,995,733)	(2,494,973)	-	(8,341,088)
Advisory Share Class	(4,500,921)	(2,213,756)	(1,253,531)	-	(7,347,569)
Institutional Share Class	(286,613)	(79,151)	(4,812)	-	(310,716)
Investor Share Class	(433,259)	-	-	-	(340,800)
Accumulate Share Class	(333,769)	(166,370)	(3,564)	(14,367)	(433,442)
Reserved Share Class	(198,206)	(283,434)	(648,079)	-	(1,263,136)
<b>Total expenses</b>	<b>(9,769,500)</b>	<b>(4,738,444)</b>	<b>(4,404,959)</b>	<b>(14,367)</b>	<b>(18,036,751)</b>

The charge for Directors' remuneration for the period of €51,250 (30 June 2015 - €76,750; 31 December 2014 - €28,750), of which €Nil (30 June 2015 - €Nil; 31 December 2014 - €Nil) was payable at the financial period end is paid by State Street Fund Services (Ireland) Limited, who in return deduct the amounts from the Management fee due to DWS Investment S.A.

## DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

Notes to the Interim Financial Statements for the financial period ended 31 December 2015 cont/d...

### 5. Taxation

Under current law and practice the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to shareholders, any encashment, redemption, cancellation or transfer of shares and the holding of shares at the end of each eight year period beginning with the acquisition of such shares.

No Irish tax will arise on the Company in respect of chargeable events in respect of:

(a) a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Company or the Company has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations; and

(b) certain exempted Irish tax resident shareholders who have provided the Fund with the necessary signed statutory declarations.

Dividends, interest and capital gains (if any) received on investments made by the Fund may be subject to taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

### 6. Cash and bank balances

31 December 2015	MDF US\$	MEF €	MSF UK£	EUSFIF €	SUSFIF UK£	TOTAL €
Cash and bank balances	1,144,842,179	368,075,387	661,912,076	4,650	8,252	2,320,099,381

30 June 2015	MDF US\$	MEF €	MSF UK£	EUSFIF €	SUSFIF UK£	TOTAL €
Cash and bank balances	361,799,967	254,709,834	605,567,143	32,064	36,865	1,434,228,396

Cash and bank balances are held with State Street Bank and Trust Company, and are in addition to time deposits disclosed in the Portfolios of Investments.

### 7. Creditors – Amounts falling due within one year

31 December 2015	MDF US\$	MEF €	MSF UK£	EUSFIF €	SUSFIF UK£	TOTAL €
Dividends payable	(3,228,444)		(3,907,345)			(8,273,653)
Interest payable	-	(47,067)	-	-	-	(47,067)
Accrued expenses	(21,416,909)	(3,570,878)	(10,955,692)	(38,013)	-	(38,189,609)
Payable for investment purchased	-	(90,007,000)	-	-	(9,639)	(90,020,079)
	(24,645,353)	(93,624,945)	(14,863,037)	(38,013)	(9,639)	(136,530,408)

## **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

Notes to the Interim Financial Statements for the financial period ended 31 December 2015 cont/d...

### 7. Creditors – Amounts falling due within one year cont/d...

30 June 2015	MDF US\$	MEF €	MSF UK£	EUSFIF €	SUSFIF UK£	TOTAL €
Interest payable	-	(8,720)	-	-	-	(8,720)
Accrued expenses	(11,543,899)	(1,504,577)	(5,802,176)	(14,667)	(1,932)	(20,072,058)
Dividends payable	(1,432,757)	-	(3,206,048)	-	-	(5,811,027)
	<u>(12,976,656)</u>	<u>(1,513,297)</u>	<u>(9,008,224)</u>	<u>(14,667)</u>	<u>(1,932)</u>	<u>(25,891,805)</u>

There are no creditors falling due in more than one year at 31 December 2015 or 30 June 2015. Trade and other creditors are payable at various dates in the next three months in accordance with the suppliers' usual customary credit terms.

### 8. Distributions to Redeemable Participating Shareholders

Financial period ended

31 December 2015	MDF US\$	MEF €	MSF UK£	EUSFIF €	SUSFIF* UK£	TOTAL €
Paid	8,335,823	(3,544,361)	16,140,709	-	70,309	26,524,612
Proposed	3,228,444	47,067	3,907,345	-	-	8,404,933
Net distribution for the financial period**	<u>11,564,267</u>	<u>(3,497,294)</u>	<u>20,048,054</u>	<u>-</u>	<u>70,309</u>	<u>34,929,545</u>
Net income for the financial period	<u>11,769,569</u>	<u>(3,700,695)</u>	<u>20,050,539</u>	<u>12,806</u>	<u>82,802</u>	<u>34,946,678</u>

Financial period ended

31 December 2014	MDF US\$	MEF €	MSF UK£	EUSFIF €	TOTAL €
Paid	3,531,678	1,342,075	12,478,163	-	19,981,480
Proposed	969,289	-	2,646,201	-	4,126,112
Net distribution for the financial period**	<u>4,500,967</u>	<u>1,342,075</u>	<u>15,124,364</u>	<u>-</u>	<u>24,107,592</u>
Net income for the financial period	<u>4,538,379</u>	<u>1,359,199</u>	<u>15,131,465</u>	<u>15,772</u>	<u>24,178,942</u>

\*The Deutsche Managed Sterling Ultra Short Fixed Income Fund launched on 13 May 2015, therefore there are no comparatives.

\*\*Distributions are paid out of net income plus realised gains on investments.

### 9. Net Asset Value per Share

The Net Asset Value per Share is determined by dividing the net assets by the total number of shares in issue for each class of Share for each Sub-Fund.

### 10. Portfolio Changes

Copies of all portfolio changes are available free of charge, from the Administrator, State Street Fund Services (Ireland) Limited.

### 11. Related party transactions

Deutsche Asset & Wealth Management Investment S.A. has been appointed to act as Investment Manager for the MEF, MSF, MDF, EUSFIF and SUSFIF Sub-Funds pursuant to the Investment Manager Agreement. Deutsche Asset & Wealth Management International GmbH has been appointed to act as Sub-Investment Manager. Management of the MDF has been delegated by the Sub-Investment Manager to Deutsche Investment Management Americas Inc.

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **Notes to the Interim Financial Statements for the financial period ended 31 December 2015 cont/d...**

### **11. Related party transactions cont/d...**

The Company incurred total annual charges of €18,243,997 during the financial period (31 December 2014: €18,036,751). At the financial period-end, fees of €38,189,609 (30 June 2015: €20,072,058) are unpaid and included in accrued expenses.

The Directors are related parties to the Company by virtue of their being in a position to exercise control over the activities of the Company. Director Nicole Behrens is also a related party through her various positions with Deutsche Asset & Wealth Management, and did not receive Directors' fees from the Company for the financial period ended 31 December 2015 or the financial year ended 30 June 2015. See Note 4 for details of the Directors' fees for the financial period ended 31 December 2015 and 30 June 2015.

The Director Michael Whelan was the Chief Country Officer for Deutsche Bank in Ireland from 2007 until 2015. Prior to his departure Director Michael Whelan was also a related party through his various positions within Deutsche Bank Ireland.

The issued share capital of the Company is represented by 7 shares (the "subscriber shares") issued for the purposes of the incorporation of the Fund at an issue price of 1 (US\$/€/UK£) per share, 6 of which are beneficially owned by Deutsche International Corporate Services (Ireland) Limited, while the remaining subscriber share is beneficially owned by Deutsche International Finance (Ireland) Limited.

All of the above transactions are carried out on an arms-length basis.

### **Connected Party Transactions**

Regulation 41 of the UCITS Regulations "Restrictions of transactions with connected persons" states that "A responsible person shall ensure that any transaction between a UCITS and a connected person is conducted a) at arm's length; and b) in the best interest of the unit-holders of the UCITS".

As required under UCITS Regulation 78.4, the Directors, as responsible persons are satisfied that there are in place arrangements, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 41(1) are applied to all transactions with a connected party; and all transactions with a connected parties that were entered into during the period to which the report relates complied with the obligations that are prescribed by Regulation 41(1).

### **12. Soft Commission Arrangements**

The Company did not enter into any soft commission arrangements during the financial period under review, or during the prior financial period.

### **13. Fair Valuation Hierarchy**

FRS 102 Section 11.27 on "Fair Value: Disclosure" requires disclosure relating to the fair value hierarchy in which fair value measurements are categorised for assets and liabilities. The disclosures are based on a three-level fair value hierarchy for the inputs used in valuation techniques to measure fair value.

The hierarchy of levels as defined under FRS 102 are different to the hierarchy definitions as set out in the prior annual Financial Statements and are discussed separately below. The prior annual hierarchy tables have been restated and presented under the new hierarchy definitions as set out under FRS 102 and separately presented under the previous accounting framework for comparison purposes.

The fair value hierarchy as required under FRS 102 and FRS 104 is based on the valuation inputs used to fair value the financial assets and liabilities and consideration of the market activity for each individual financial asset and liability. The definition for levels A, B and C are set out below.

Level A - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level B - 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 C - Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **Notes to the Interim Financial Statements for the financial period ended 31 December 2015 cont/d...**

### **13. Fair Valuation Hierarchy cont/d...**

Level A: The best evidence of fair value is a quoted price for an identical asset in an active market. Quoted in an active market in this context means quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted price is usually the current last traded price.

Level B: When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the entity can demonstrate that the last transaction price is not a good estimate of fair value (e.g. because it reflects the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distress sale), that price is adjusted.

Level C: If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, an entity estimates the fair value by using a valuation technique. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

The level in the fair value hierarchy within which the fair value measurement was categorised in its entirety was determined on the basis of the lowest level input that was significant to the fair value measurement in its entirety. For this purpose, the significance of an input was assessed against the fair value measurement in its entirety. If a fair value measurement used observable inputs that required significant adjustment based on unobservable inputs, that measurement was a Level C measurement. Assessing the significance of a particular input to the fair value measurement in its entirety required judgement, considering factors specific to the asset or liability. The determination of what constituted "observable" required significant judgement by the Investment Manager.

The Investment Manager considered observable data to be that market data that was readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Company's financial assets measured at fair value at 31 December 2015:

<b>MDF Assets</b>	<b>Level A US\$</b>	<b>Level B US\$</b>	<b>Level C US\$</b>	<b>Total US\$</b>
Financial assets held for trading:				
Debt securities	2,639,236,702	10,663,346,584	-	13,302,583,286
<b>Total assets</b>	<b>2,639,236,702</b>	<b>10,663,346,584</b>	<b>-</b>	<b>13,302,583,286</b>

<b>MEF Assets</b>	<b>Level A €</b>	<b>Level B €</b>	<b>Level C €</b>	<b>Total €</b>
Financial assets held for trading:				
Debt securities	300,000,000	4,868,470,110	-	5,168,470,110
<b>Total assets</b>	<b>300,000,000</b>	<b>4,868,470,110</b>	<b>-</b>	<b>5,168,470,110</b>

## DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.

Notes to the Interim Financial Statements for the financial period ended 31 December 2015 cont/d...

### 13. Fair Valuation Hierarchy cont/d...

<b>MSF Assets</b>	<b>Level A UK£</b>	<b>Level B UK£</b>	<b>Level C UK£</b>	<b>Total UK£</b>
Financial assets held for trading:				
Debt securities	800,000,000	7,618,376,187	-	8,418,376,187
<b>Total assets</b>	<b>800,000,000</b>	<b>7,618,376,187</b>	<b>-</b>	<b>8,418,376,187</b>

<b>EUSFIF Assets</b>	<b>Level A €</b>	<b>Level B €</b>	<b>Level C €</b>	<b>Total €</b>
Financial assets held for trading:				
Debt securities	-	28,666,077	-	28,666,077
<b>Total assets</b>	<b>-</b>	<b>28,666,077</b>	<b>-</b>	<b>28,666,077</b>

<b>SUSFIF Assets</b>	<b>Level A UK£</b>	<b>Level B UK£</b>	<b>Level C UK£</b>	<b>Total UK£</b>
Financial assets held for trading:				
Debt securities	-	14,932,269	-	14,932,269
<b>Total assets</b>	<b>-</b>	<b>14,932,269</b>	<b>-</b>	<b>14,932,269</b>

The following table analyses within the fair value hierarchy the Company's financial measured at fair value at 30 June 2015, under FRS 102:

<b>MDF Assets</b>	<b>Level A US\$</b>	<b>Level B US\$</b>	<b>Level C US\$</b>	<b>Total US\$</b>
Financial assets held for trading:				
Debt securities	3,333,904,000	11,162,257,654	-	14,496,096,531
<b>Total assets</b>	<b>3,333,904,000</b>	<b>11,162,257,654</b>	<b>-</b>	<b>14,496,096,531</b>

<b>MEF Assets</b>	<b>Level A €</b>	<b>Level B €</b>	<b>Level C €</b>	<b>Total €</b>
Financial assets held for trading:				
Debt securities	570,015,000	4,829,126,020	-	5,398,928,891
<b>Total assets</b>	<b>570,015,000</b>	<b>4,829,126,020</b>	<b>-</b>	<b>5,398,928,891</b>

<b>MSF Assets</b>	<b>Level A UK£</b>	<b>Level B UK£</b>	<b>Level C UK£</b>	<b>Total UK£</b>
Financial assets held for trading:				
Debt securities	1,300,000,000	6,653,196,781	-	7,955,497,737
<b>Total assets</b>	<b>1,300,000,000</b>	<b>6,653,196,781</b>	<b>-</b>	<b>7,955,497,737</b>

## **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

Notes to the Interim Financial Statements for the financial period ended 31 December 2015 cont/d...

### 13. Fair Valuation Hierarchy cont/d...

<b>EUSFIF Assets</b>	<b>Level A €</b>	<b>Level B €</b>	<b>Level C €</b>	<b>Total €</b>
Financial assets held for trading:				
Debt securities	-	10,927,927	-	10,927,927
<b>Total assets</b>	-	10,927,927	-	10,927,927

<b>SUSFIF Assets</b>	<b>Level A UK£</b>	<b>Level B UK£</b>	<b>Level C UK£</b>	<b>Total UK£</b>
Financial assets held for trading:				
Debt securities	-	14,758,717	-	14,758,717
<b>Total assets</b>	-	14,758,717	-	14,758,717

Investments, whose values are based on quoted market prices in active markets, and therefore classified within Level A, consist of time deposits only. The Sub-Fund does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level B. These consist of certificates of deposit, corporate bonds, commercial paper, depositary notes, floating rate notes, medium term notes, treasury bills and treasury notes. As Level B investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within Level C have significant unobservable inputs as they trade infrequently. There are no investments classified within Level C at 31 December 2015 or 30 June 2015.

### 14. Share Capital

The authorised share capital of the Company is 1,000,000,000,000 shares of no par value initially designated as unclassified shares.

The issued share capital of the Company is represented by 7 shares (the "subscriber shares") issued for the purposes of the incorporation of the Company at an issue price of 1 (US\$/€/UK£) per share, 6 of which are beneficially owned by Deutsche International Corporate Services (Ireland) Limited, while the remaining subscriber share is beneficially owned by Deutsche International Finance (Ireland) Limited. The subscriber shares do not form part of the net assets of the Sub-Funds and are disclosed by way of this note only.

The unclassified shares are available for issue as shares in any Sub-Fund. The issue price is payable in full on acceptance. There are no rights of pre-emption attaching to the shares in the Sub-Funds.

As at 31 December 2015, the following Sub-Funds had Shareholders who held more than 20% of the relevant Sub-Fund's Number of Shares in issue:

<b>Fund</b>	<b>No. of Shareholders</b>	<b>% Shareholding</b>
Deutsche Managed Euro Ultra Short Fixed Income Fund	1	100.00
Deutsche Managed Sterling Ultra Short Fixed Income Fund	2	100.00

As at 30 June 2015, the following Sub-Funds had Shareholders who held more than 20% of the relevant Sub-Fund's Number of Shares in issue:

<b>Fund</b>	<b>No. of Shareholders</b>	<b>% Shareholding</b>
Deutsche Managed Euro Ultra Short Fixed Income Fund	1	100.00
Deutsche Managed Sterling Ultra Short Fixed Income Fund	2	100.00

## **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

Notes to the Interim Financial Statements for the financial period ended 31 December 2015 cont/d...

### 14. Share Capital cont/d...

All issued redeemable shares are fully paid and have been admitted to the official listing of the ISE. The Company's capital is represented by these redeemable shares with no par value and with each carrying one vote. They are entitled to dividends and to payment of a proportionate share based on the Company's NAV per share on the redemption date.

The Company has no restrictions or specific capital requirements on the subscriptions and redemptions of shares. The relevant movements are shown on the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shareholders.

Share transactions for the financial period/year ended

<b>MDF (Dec 2015)</b>	<b>Platinum Shares</b>		<b>Advisory Shares</b>	
	<b>Shares</b>	<b>US\$</b>	<b>Shares</b>	<b>US\$</b>
At start of period	9,463,904,592		4,236,947,545	
Shares issued during the period	34,587,333,401	34,587,333,401	25,817,308,139	25,817,308,139
Shares redeemed during the period	<u>(34,922,629,766)</u>	<u>(34,922,629,766)</u>	<u>(25,742,172,804)</u>	<u>(25,742,172,804)</u>
At end of period	<u>9,128,608,227</u>		<u>4,312,082,880</u>	
	<b>Institutional Shares</b>		<b>Investor Shares</b>	
	<b>Shares</b>	<b>US\$</b>	<b>Shares</b>	<b>US\$</b>
At start of period	253,972,887		407,317,470	
Shares issued during the period	281,523,043	281,523,043	482,195,158	482,195,158
Shares redeemed during the period	<u>(291,816,601)</u>	<u>(291,816,601)</u>	<u>(421,175,232)</u>	<u>(421,175,232)</u>
At end of period	<u>243,679,329</u>		<u>468,337,396</u>	
	<b>Accumulate Shares</b>		<b>Reserved Shares</b>	
	<b>Shares</b>	<b>US\$</b>	<b>Shares</b>	<b>US\$</b>
At start of period	34,663		144,721,942	
Shares issued during the period	201,542	2,024,638,466	426,545,908	426,545,908
Shares redeemed during the period	<u>(214,879)</u>	<u>(2,158,663,913)</u>	<u>(487,164,361)</u>	<u>(487,164,361)</u>
At end of period	<u>21,326</u>		<u>84,103,489</u>	
	<b>Platinum Shares</b>		<b>Advisory Shares</b>	
	<b>Shares</b>	<b>€</b>	<b>Shares</b>	<b>€</b>
At start of period	3,185,404,650		1,820,078,687	
Shares issued during the period	9,455,479,674	9,455,479,674	4,283,658,648	4,283,658,648
Shares redeemed during the period	<u>(9,061,454,581)</u>	<u>(9,061,454,581)</u>	<u>(4,946,337,644)</u>	<u>(4,946,337,644)</u>
At end of period	<u>3,579,429,743</u>		<u>1,157,399,691</u>	

## **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

Notes to the Interim Financial Statements for the financial period ended 31 December 2015 cont/d...

### 14. Share Capital cont/d...

#### MEF (Dec 2015) cont/d...

	Institutional Shares		Investor Shares	
	Shares	€	Shares	€
At start of period	3,546,275		616	
Shares issued during the period	8,354,080	8,354,080	-	-
Shares redeemed during the period	<u>(568,107)</u>	<u>(568,107)</u>	<u>-</u>	<u>-</u>
At end of period	<u>11,332,248</u>		<u>616</u>	

Share transactions for the financial period/year ended cont/d...

	Accumulate Shares		Reserved Shares	
	Shares	€	Shares	€
At start of period	22,321		429,256,494	
Shares issued during the period	84,273	854,800,000	475,082,472	475,082,472
Shares redeemed during the period	<u>(79,845)</u>	<u>(809,886,722)</u>	<u>(554,079,185)</u>	<u>(554,079,185)</u>
At end of period	<u>26,749</u>		<u>350,259,781</u>	

#### Z-Class Shares\*

	Shares	€
At start of period	-	
Shares issued during the period	20,259	202,568,650
Shares redeemed during the period	<u>(11,122)</u>	<u>(111,199,998)</u>
At end of period	<u>9,137</u>	

\*Z-Class Shares launched on 4 September 2015.

#### MSF (Dec 2015)

	Platinum Shares		Advisory Shares	
	Shares	UK£	Shares	UK£
At start of period	6,593,295,503		1,320,703,426	
Shares issued during the period	21,793,293,154	21,793,293,153	3,810,336,806	3,810,336,806
Shares redeemed during the period	<u>(21,732,747,193)</u>	<u>(21,732,747,193)</u>	<u>(3,237,672,441)</u>	<u>(3,237,672,440)</u>
At end of period	<u>6,653,841,464</u>		<u>1,893,367,791</u>	

	Institutional Shares		Investor Shares	
	Shares	UK£	Shares	UK£
At start of period	4,233,520		-	
Shares issued during the period	85,951,718	85,951,718	2	2
Shares redeemed during the period	<u>(84,523,168)</u>	<u>(84,523,168)</u>	<u>-</u>	<u>-</u>
At end of period	<u>5,662,070</u>		<u>2</u>	

## **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

Notes to the Interim Financial Statements for the financial period ended 31 December 2015 cont/d...

### **14. Share Capital cont/d...**

#### **MEF (Dec 2015) cont/d...**

	<b>Accumulate Shares</b>		<b>Reserved Shares</b>	
	<b>Shares</b>	<b>UK£</b>	<b>Shares</b>	<b>UK£</b>
At start of period	137		639,004,511	
Shares issued during the period	15	150,000	3,227,832,578	3,227,832,578
Shares redeemed during the period	<u>(64)</u>	<u>(655,025)</u>	<u>(3,341,434,131)</u>	<u>(3,341,434,131)</u>
At end of period	<u>88</u>		<u>525,402,958</u>	

Share transactions for the financial period/year ended cont/d...

#### **EUSFIF (Dec 2015)**

	<b>Accumulate Shares</b>	
	<b>Shares</b>	<b>€</b>
At start of period	1,100	
Shares issued during the period	2,290	23,000,138
Shares redeemed during the period	<u>(498)</u>	<u>(5,000,869)</u>
At end of period	<u>2,892</u>	

#### **SUSFIF (Dec 2015)**

	<b>Reserved Shares</b>	
	<b>Shares</b>	<b>UK£</b>
At start of period	1,500	
Shares issued during the period	7	70,281
Shares redeemed during the period	<u>-</u>	<u>-</u>
At end of period	<u>1,507</u>	

### **15. Efficient Portfolio Management**

Subject to the specific investment policies and restrictions (if any) for the relevant Sub-Fund set out in the relevant Supplement, the Sub-Fund's may employ techniques and instruments relating to transferable securities under the conditions and within the limits laid down by the Central Bank from time to time, provided that such techniques and instruments are used for efficient portfolio management.

The amount invested in derivatives and used for efficient portfolio management purposes in respect of each Sub-Fund will not exceed 15% of the current NAV of the relevant Sub-Fund.

During the financial period/year ended and as at 31 December 2015 and 30 June 2015, the Company employed Repurchase Agreements on the Deutsche Managed Dollar Fund and the Deutsche Managed Euro Fund as techniques or instruments for Efficient Portfolio Management purposes.

As at 31 December 2015 the Deutsche Managed Dollar Fund was exposed to credit risk on repurchase agreement counterparties to BNP Paribas;

## **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

Notes to the Interim Financial Statements for the financial period ended 31 December 2015 cont/d...

### **15. Efficient Portfolio Management cont/d...**

Maturity Date	Counterparty	Base Market Value US\$	Collateral US\$
04/01/2016	BNP Paribas	150,000,000	153,000,000
04/01/2049	BNP Paribas	350,000,000	363,986,867
	Total	<u>500,000,000</u>	<u>516,986,867</u>

The Deutsche Managed Euro Fund was exposed to credit risk on repurchase agreement counterparties to BNP Paribas;

Maturity Date	Counterparty	Base Market Value €	Collateral €
04/01/2016	BNP Paribas	<u>300,000,000</u>	<u>306,000,260</u>
	Total	<u>300,000,000</u>	<u>306,000,260</u>

The Company may also be exposed to credit risk in relation to counterparties to repurchase agreements entered into by the Sub-Funds. At 30 June 2015 two Sub-Funds entered such agreements. The Deutsche Managed Dollar Fund was exposed to credit risk on repurchase agreement counterparties to BNP Paribas;

Maturity Date	Counterparty	Base Market Value €	Collateral €
04/08/2015	BNP Paribas	<u>350,000,000</u>	<u>363,965,209</u>
	Total	<u>350,000,000</u>	<u>363,965,209</u>

The Deutsche Managed Euro Fund was exposed to credit risk on repurchase agreement counterparties to BNP Paribas;

Maturity Date	Counterparty	Base Market Value €	Collateral €
01/07/2015	BNP Paribas	100,000,000	40,545,015
01/07/2015	BNP Paribas	<u>170,000,000</u>	<u>173,399,928</u>
	Total	<u>270,000,000</u>	<u>213,944,943</u>

There were no material revenues arising from the use of repurchase agreements and transaction costs are embedded in the price of the investments and are not separately identifiable.

The counterparty for the repurchase agreements on the Deutsche Managed Dollar Fund and the Deutsche Managed Euro Fund is BNP Paribas which has a credit rating of A1 (30 June 2015: A1) (Moody's rating).

### **16. Cross Liability of Sub-Funds**

At a Shareholder meeting on 19 November 2008, the Shareholders voted in favour of a resolution providing for certain changes to be made to the Memorandum and Articles of Association to provide for segregation of liability between the Sub-Funds as provided for in the Investment Funds, Companies and Miscellaneous Provisions Act, 2005. The adoption of segregated liability ensures that the liabilities incurred on behalf of a Sub-Fund will generally be discharged solely out of the assets of that Sub-Fund and there can generally be no recourse to the other Sub-Funds to satisfy those liabilities. Notwithstanding the foregoing there can be no guarantee or assurance that, should an action be brought against the Company in a court of another jurisdiction, that the segregated nature of the Sub-Funds would necessarily be upheld.

## **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

### **Notes to the Interim Financial Statements for the financial period ended 31 December 2015 cont/d...**

#### **17. Comparatives**

As a result of the adoption of FRS 102, certain Comparative Figures have been restated to reflect the impact of the new accounting framework. This note shows the effect of these restatements.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As a result of the Company's decision to implement the recognition and measurement provisions of International Accounting Standards ("IAS 39") Financial Instruments: Recognition, the fair value of assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the reporting date. Prior to 30 June 2015, the quoted market price used for financial assets held by the Company was the current bid price; the quoted market price for financial liabilities was the current ask price. The Company changed its fair valuation input to utilise the last traded market price for both financial assets and liabilities. Where the last traded market price is not within the bid-ask spread, management will determine the point within the bid-ask spread which is most representative of fair value.

The Statement of Financial Position for Deutsche Global Liquidity Series p.l.c. as disclosed as at 30 June 2015 and as restated to reflect the impact of the adoption of IAS 39 is as follows:

	<b>As disclosed 30/06/2015</b>	<b>Restated 30/06/2015</b>	<b>Adjustment</b>
<b>MDF</b>			
Financial assets at fair value through profit or loss	US\$14,496,161,654	US\$14,496,096,531	US\$65,123
<b>MEF</b>			
Financial assets at fair value through profit or loss	€5,399,141,020	€5,398,928,891	€212,129
<b>MSF</b>			
Financial assets at fair value through profit or loss	UK£7,953,196,781	UK£7,955,497,737	(UK£2,300,956)
<b>EUSFIF</b>			
Financial assets at fair value through profit or loss	€10,924,427	€10,927,927	(€3,500)
<b>SUSFIF</b>			
Financial assets at fair value through profit or loss	UK£14,752,693	UK£14,758,717	(UK£6,024)

The Statement of Comprehensive Income for Deutsche Global Liquidity Series p.l.c. as disclosed for the financial period ended 31 December 2014 and as restated to reflect the impact of the adoption of IAS 39 are as follows:

	<b>As disclosed 31/12/2014</b>	<b>Restated 31/12/2014</b>	<b>Adjustment</b>
<b>MDF</b>			
Net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss	(US\$328,277)	US\$10,554	(US\$338,831)
<b>MEF</b>			
Net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss	(€1,232,288)	€36,205	(€1,268,493)
<b>MSF</b>			
Net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss	UK£55,910	-	UK£55,910
<b>EUSFIF</b>			
Net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss	(€6,478)	€2,044	(€8,522)

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **Notes to the Interim Financial Statements for the financial period ended 31 December 2015 cont/d...**

### **18. Significant events during the financial period**

AAAmf Fitch ratings for Deutsche Managed Dollar, Euro and Sterling Fund have been published on 1 September, 2015.

The most recent Prospectus of the Company was filed with the Central Bank of Ireland dated 8 September 2015, to incorporate, but not limited to the following key changes and updates;

- Minor amendment to the US investor restriction (incl. transfer of shares)
- Name changes Deutsche WS S.A to Deutsche AWM S.A.
- Changes to the Directors including their biographies
- Changes to the Irish tax section
- Foreign Account Tax Compliance Act section included
- Additional Fitch ratings
- Additional Z-Class Shares to all sub-funds
- Subscription and redemption account for US Dollar has been switched to Bank of America Merrill Lynch on 28 September, 2015.

There have been no other significant events affecting the Company during the financial period.

### **19. Significant events after the financial period end**

Joseph Sarbinowski was appointed as a Director of the Board effective from 15 January 2016.

There have been no other significant events affecting the Company since the financial period end.

### **20. Exchange Rates**

The rates of exchange ruling at the financial period/year end were:

	<b>31.12.15</b>	<b>30.06.15</b>	<b>31.12.14</b>
US Dollar/Euro	1.0863	1.1142	1.2101
Pound Sterling/Euro	0.7370	0.7085	0.7760

The average rates of exchange during the financial period/year were:

	<b>31.12.15</b>	<b>30.06.15</b>	<b>31.12.14</b>
US Dollar/Euro	1.0981	1.1903	1.2713
Pound Sterling/Euro	0.7212	0.7564	0.7867

### **21. Approval of the Financial Statements**

The Financial Statements were approved by the Board of Directors on 26 February 2016.

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

## **Other Information**

### **DIRECTORS**

Mr. Charles Hansard (Irish) (Non-Executive, Independent)  
Mr. Michael Whelan (Irish) (Non-Executive, Independent)  
Ms. Nicole Behrens (German) (Non-Executive)  
Mr. Vincent Dodd (Irish) (Chairman) (Non-Executive, Independent)  
Mr. John Shelton (British) (Non-Executive, Independent)  
Mr. Joseph Sarbinowski (American) (Non-Executive) (Appointed 15 January 2016)

### **REGISTERED OFFICE**

78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **INVESTMENT MANAGER**

Deutsche Asset & Wealth Management Investment S.A.  
2 Boulevard Konrad, Adenauer  
Luxembourg 1115

### **SUB-INVESTMENT MANAGER**

Deutsche Asset & Wealth Management International GmbH  
Mainzer Landstrasse 11-17  
60323 Frankfurt am Main  
Germany

*Managed Dollar Fund*  
Deutsche Investment Management Americas Inc.  
345 Park Avenue  
New York, New York 10154  
U.S.A.

### **CUSTODIAN**

State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **ADMINISTRATOR & TRANSFER AGENT**

State Street Fund Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **SUB TRANSFER AGENT (FOR THE DEUTSCHE MANAGED DOLLAR FUND):**

DST Systems Inc.  
333 West 11th Street  
Kansas City, MO 64105, USA

# **DEUTSCHE GLOBAL LIQUIDITY SERIES p.l.c.**

Other Information cont/d...

## **INDEPENDENT AUDITORS**

PricewaterhouseCoopers  
Chartered Accountants & Registered Auditors  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

## **LEGAL ADVISERS**

A & L Goodbody  
International Financial Services Centre  
North Wall Quay  
Dublin 1  
Ireland

## **SPONSORING BROKER**

Davy Stockbrokers  
Davy House  
49 Dawson Street  
Dublin 2  
Ireland

## **REPRESENTATIVE AND INFORMATION AGENT IN THE NETHERLANDS**

Deutsche Bank AG  
(Amsterdam Branch)  
Herengracht 450-454  
1017 CA Amsterdam  
Netherlands

## **SECRETARY**

Goodbody Secretarial Limited  
International Financial Services Centre  
25/28 North Wall Quay  
Dublin 1  
Ireland

## **COMPANY REGISTRATION NUMBER**

324257