

Press Release



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pbb direkt to offer overnight and term deposits in US dollars

- pbb Deutsche Pfandbriefbank expands its online offer
- US dollar term deposits with maturities of 1, 2, 3, 5 and 10 years, offering interest rates of up to 2.90% per annum

Munich, 11 July 2016 – pbb Deutsche Pfandbriefbank has expanded its product offer for private investors on the pbb direkt online platform (pbbdirekt.com), to include overnight and term deposits denominated in US dollars. pbb direkt offers term deposits with maturities of up to ten years, with interest rates of currently up to 2.90% p.a.; the current rate for US dollar overnight deposits is 0.40% p.a.

With its new products, pbb direkt offers private investors the opportunity of benefiting from higher interest rates paid on US dollar deposits. Additional income will be generated if the US dollar appreciates against the euro: this is because interest and principal will be paid out in US dollars and subsequently converted to euros. Accordingly, the return on the deposit will be enhanced if the value of the US dollar rises versus the euro – however, this effect will also work the other way around: customers will be exposed to currency risks.

The terms and conditions for USD deposits with pbb direkt are as follows: the minimum investment amount is USD 5,000 per customer; there is no limit on the amount that can be deposited. However, the overnight deposit interest rate for the portion of the deposit exceeding USD 500,000 will be reduced to 0.05 % p.a. Whilst account opening and maintenance are generally free of charge, fees will be charged, in line with the pbb direkt Fees and Services Schedule (*Preis- und Leistungsverzeichnis*), for converting euros into US dollars and back, as well as for any additional services required. The deposit offer is open to all private individuals resident in Germany, who can also invest their business assets (*Betriebsvermögen*). In addition, pbb direkt offers joint accounts, and accounts for minors.

Thomas Köntgen, Deputy CEO of pbb Deutsche Pfandbriefbank, said: "We want to provide new investment opportunities to our customers, exploring new customer groups in this manner. More than 35,000 private investors – and the number continues to rise – have opted for our pbb direkt offering."

pbb direkt wins new customers, grows deposit volumes

pbb direkt is an online service offered by pbb Deutsche Pfandbriefbank, covering overnight and term deposits with maturities from six months to ten years. With pbb direkt's FestgeldPLUS offer, private investors can benefit from the higher interest rates offered by a term deposit, combined with the daily availability of an overnight deposit. At present, this offer is available for deposits in euros. Funds deposited with pbb direkt are covered by the statutory German deposit protection scheme (*Entschädigungseinrichtung deutscher Banken GmbH*), and additionally by the Joint Fund for Securing Customer Deposits of the Association of German Banks.

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Since the start of pbb direkt's online offer to private investors in March 2013, business has grown continuously. More than 35,000 customers have now deposited a total of more than €3.3 billion. In 2016, for the third time in succession, pbb direkt's service has won the "Zinsaward", which honoured the best term deposit offer in five-year brackets. The prize is awarded, in twelve categories, by German news channel n-tv, in cooperation with FMH-Finanzberatung, a financial advisor, and the German Institute for Service Quality (DISQ).

Terms for US dollar overnight and term deposits with pbb direkt

(updated: 11 July 2016)

Term deposits*	
▪ 1 year	1.15% p.a.
▪ 2 years	1.90% p.a.
▪ 3 years	2.15% p.a.
▪ 5 years	2.60% p.a.
▪ 10 years	2.90% p.a.
Overnight deposits*	0.40% p.a.

* At present, the overnight deposit interest rate for the portion of the deposit exceeding USD 500,000 will be reduced to 0.05% p.a.

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