

POWERSHARES DB AGRICULTURE FUND
Form 10-Q
May 09, 2014
[Table of Contents](#)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2014

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-33238

POWERSHARES DB AGRICULTURE FUND

(A Series of PowerShares DB Multi-Sector Commodity Trust)

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(Exact name of Registrant as specified in its charter)

Delaware (State or Other Jurisdiction of Incorporation or Organization)	87-0778078 (I.R.S. Employer Identification No.)
c/o DB Commodity Services LLC 60 Wall Street New York, New York (Address of Principal Executive Offices)	10005 (Zip Code) Registrant's telephone number, including area code: (212) 250-5883

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, an Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "accelerated filer," "large accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer Accelerated Filer

Non-Accelerated Filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of outstanding Shares as of March 31, 2014: 54,000,000 Shares.

Table of Contents

POWERSHARES DB AGRICULTURE FUND

(A SERIES OF POWERSHARES DB MULTI-SECTOR COMMODITY TRUST)

QUARTER ENDED MARCH 31, 2014

TABLE OF CONTENTS

	<u>Page</u>
PART I. <u>FINANCIAL INFORMATION</u>	1
ITEM 1. <u>FINANCIAL STATEMENTS</u>	1
<u>Notes to Unaudited Financial Statements</u>	8
ITEM 2. <u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	17
ITEM 3. <u>QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.</u>	28
ITEM 4. <u>CONTROLS AND PROCEDURES</u>	31
PART II. <u>OTHER INFORMATION</u>	32
Item 1. <u>Legal Proceedings</u>	32
Item 1A. <u>Risk Factors</u>	32
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	32
Item 3. <u>Defaults Upon Senior Securities</u>	32
Item 4. <u>Mine Safety Disclosures</u>	32
Item 5. <u>Other Information</u>	32
Item 6. <u>Exhibits</u>	35
<u>SIGNATURES</u>	36

Table of Contents**PART I. FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS.***PowerShares DB Agriculture Fund**Unaudited Statements of Financial Condition**March 31, 2014 and December 31, 2013*

	March 31, 2014	December 31, 2013
Assets		
Equity in broker trading accounts:		
United States Treasury Obligations, at fair value (cost \$1,735,900,250 and \$1,532,890,483 respectively)	\$ 1,735,945,994	\$ 1,532,914,377
Cash held by commodity broker	7,536,549	45,303,391
Net unrealized appreciation (depreciation) on commodity futures contracts	78,230,052	(40,865,651)
Equity in broker trading accounts	1,821,712,595	1,537,352,117
Receivable for securities sold	5,999,815	9,999,922
Total assets	\$ 1,827,712,410	\$ 1,547,352,039
Liabilities		
Payable for securities purchased	\$ 289,970,678	\$ 317,947,751
Payable for shares redeemed	5,670,262	9,712,873
Management fee payable	1,091,594	933,883
Brokerage fee payable	7,976	562
Total liabilities	296,740,510	328,595,069
Commitments and Contingencies (Note 8)		
Equity		
Shareholders' equity General Shares	1,134	971
Shareholders' equity Shares	1,530,970,766	1,218,755,999
Total shareholders' equity	1,530,971,900	1,218,756,970
Total liabilities and equity	\$ 1,827,712,410	\$ 1,547,352,039
General Shares outstanding	40	40
Shares outstanding	54,000,000	50,200,000
Net asset value per share		
General Shares	\$ 28.35	\$ 24.28
Shares	\$ 28.35	\$ 24.28

See accompanying notes to unaudited financial statements

Table of Contents*PowerShares DB Agriculture Fund**Unaudited Schedule of Investments**March 31, 2014*

Description	Percentage of Net Assets	Fair Value	Face Value
United States Treasury Obligations			
U.S. Treasury Bills, 0.045% due April 3, 2014	18.94%	\$ 290,000,000	\$ 290,000,000
U.S. Treasury Bills, 0.055% due April 10, 2014	0.26	3,999,984	4,000,000
U.S. Treasury Bills, 0.045% due April 24, 2014	20.84	318,994,577	319,000,000
U.S. Treasury Bills, 0.020% due May 1, 2014	9.21	140,997,744	141,000,000
U.S. Treasury Bills, 0.050% due May 8, 2014	4.31	65,998,218	66,000,000
U.S. Treasury Bills, 0.095% due May 15, 2014	0.07	999,979	1,000,000
U.S. Treasury Bills, 0.050% due May 22, 2014	3.40	51,998,804	52,000,000
U.S. Treasury Bills, 0.045% due May 29, 2014	4.70	71,998,416	72,000,000
U.S. Treasury Bills, 0.050% due June 5, 2014	19.40	296,991,981	297,000,000
U.S. Treasury Bills, 0.050% due June 12, 2014	8.62	131,995,644	132,000,000
U.S. Treasury Bills, 0.050% due June 19, 2014	0.72	10,999,582	11,000,000
U.S. Treasury Bills, 0.050% due June 26, 2014	3.98	60,995,425	61,000,000
U.S. Treasury Bills, 0.045% due July 3, 2014	18.94	289,975,640	290,000,000
Total United States Treasury Obligations (cost \$1,735,900,250)	113.39%	\$ 1,735,945,994	

A portion of the above United States Treasury Obligations are held as margin against open futures contracts, as described in Note 4(e).

Description	Unrealized Appreciation/ (Depreciation) as a Percentage of Net Assets	Unrealized Appreciation/ (Depreciation)	Notional Market Value
Commodity Futures Contracts			
CBOT Corn (7,296 contracts, settlement date December 12, 2014)	0.72%	\$ 11,046,387	\$ 181,761,600
CBOT Soybeans (2,944 contracts, settlement date November 14, 2014)	0.12	1,836,437	174,763,200
CBOT Wheat (2,386 contracts, settlement date July 14, 2014)	(0.20)	(3,060,225)	83,688,950
CBOT Wheat KCB (2,419 contracts, settlement date July 14, 2014)	0.11	1,665,638	92,556,988
CME Cattle Feeder (686 contracts, settlement date May 22, 2014)	0.07	1,011,663	61,002,550
CME Lean Hogs (2,741 contracts, settlement date June 13, 2014)	0.50	7,645,260	139,434,670
CME Live Cattle (3,365 contracts, settlement date June 30, 2014)	0.12	1,901,300	185,075,000
MGE Red Wheat (162 contracts, settlement date May 14, 2014)	0.02	258,475	6,016,275
NYB-ICE Cocoa (5,655 contracts, settlement date May 14, 2014)	0.13	1,968,990	167,105,250
NYB-ICE Coffee (3,725 contracts, settlement date May 19, 2014)	2.86	43,863,937	248,504,062
NYB-ICE Cotton (960 contracts, settlement date May 07, 2014)	0.19	2,956,625	44,889,600
NYB-ICE Sugar (8,573 contracts, settlement date June 30, 2014)	0.47	7,135,565	174,079,909
Total Commodity Futures Contracts	5.11%	\$ 78,230,052	\$ 1,558,878,054

See accompanying notes to unaudited financial statements

Table of Contents*PowerShares DB Agriculture Fund**Unaudited Schedule of Investments**December 31, 2013*

Description	Percentage of Net Assets	Fair Value	Face Value
United States Treasury Obligations			
U.S. Treasury Bills, 0.030% due January 2, 2014	26.09%	\$ 318,000,000	\$ 318,000,000
U.S. Treasury Bills, 0.025% due January 9, 2014	0.33	3,999,992	4,000,000
U.S. Treasury Bills, 0.005% due January 23, 2014	26.18	318,997,767	319,000,000
U.S. Treasury Bills, 0.005% due January 30, 2014	16.82	204,997,950	205,000,000
U.S. Treasury Bills, 0.050% due February 6, 2014	4.10	49,999,550	50,000,000
U.S. Treasury Bills, 0.075% due February 13, 2014	0.08	999,991	1,000,000
U.S. Treasury Bills, 0.080% due February 27, 2014	0.82	9,999,690	10,000,000
U.S. Treasury Bills, 0.075% due March 6, 2014	16.00	194,983,815	195,000,000
U.S. Treasury Bills, 0.070% due March 13, 2014	5.50	66,995,444	67,000,000
U.S. Treasury Bills, 0.070% due March 27, 2014	3.77	45,993,284	46,000,000
U.S. Treasury Bills, 0.065% due April 3, 2014	26.09	317,946,894	318,000,000
Total United States Treasury Obligations (cost \$1,532,890,483)	125.78%	\$ 1,532,914,377	

A portion of the above United States Treasury Obligations are held as margin against open futures contracts, as described in Note 4(e).

Description	Unrealized Appreciation/ (Depreciation) as a Percentage of Net Assets	Unrealized Appreciation/ (Depreciation)	Notional Market Value
Commodity Futures Contracts			
CBOT Corn (6,783 contracts, settlement date December 12, 2014)	(0.45)%	\$ (5,504,437)	\$ 152,702,287
CBOT Soybean (2,737 contracts, settlement date November 14, 2014)	(0.45)	(5,562,813)	155,324,750
CBOT Wheat (2,377 contracts, settlement date July 14, 2014)	(1.15)	(14,011,188)	73,300,738
CBOT Wheat KCB (2,249 contracts, settlement date July 14, 2014)	(1.10)	(13,467,475)	72,361,575
CME Cattle (643 contracts, settlement date March 27, 2014)	0.06	766,063	53,819,100
CME Lean Hogs (2,876 contracts, settlement date February 14, 2014)	(0.57)	(6,903,360)	98,272,920
CME Live Cattle (2,965 contracts, settlement date February 28, 2014)	0.08	1,007,960	159,665,250
NYB-ICE Cocoa (5,287 contracts, settlement date March 14, 2014)	(0.04)	(538,510)	143,224,830
NYB-ICE Coffee (3,517 contracts, settlement date March 19, 2014)	0.45	5,491,219	145,999,463
NYB-ICE Cotton (898 contracts, settlement date March 07, 2014)	0.22	2,700,330	38,003,360