



Global Asset
Management

RBC ETFs

2018 Annual Financial Statements

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The accompanying financial statements have been prepared by RBC Global Asset Management Inc. ("RBC GAM") as manager of the RBC ETFs (the "ETFs") and approved by the Board of Directors of RBC GAM. We are responsible for the information contained within the financial statements.

We have maintained appropriate procedures and controls to ensure that timely and reliable financial information is produced. The financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") (and they include certain amounts that are based on estimates and judgments). The significant accounting policies, which we believe are appropriate for the ETFs, are described in Note 3 to the financial statements.

PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants, have performed an independent audit of the financial statements in accordance with IFRS. Their report is set out on the next page.



Damon G. Williams, FSA, FCIA, CFA
Chief Executive Officer
RBC Global Asset Management Inc.
March 11, 2019



Heidi Johnston, CPA, CA
Chief Financial Officer
RBC GAM Funds

To the Unitholders and Trustee of

RBC 1-5 Year Laddered Canadian Bond ETF	RBC Canadian Preferred Share ETF	RBC Quant EAFE Dividend Leaders ETF
RBC 1-5 Year Laddered Corporate Bond ETF	RBC Quant Canadian Dividend Leaders ETF	RBC Quant EAFE Dividend Leaders (CAD Hedged) ETF
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RBC Target 2020 Corporate Bond Index ETF	RBC Vision Women's Leadership MSCI Canada Index ETF	RBC International Equity Index ETF
RBC Target 2021 Corporate Bond Index ETF	RBC Canadian Bank Yield Index ETF	RBC International Equity (CAD Hedged) Index ETF
RBC Target 2022 Corporate Bond Index ETF	RBC Quant U.S. Dividend Leaders ETF	RBC Quant Emerging Markets Dividend Leaders ETF
RBC Target 2023 Corporate Bond Index ETF	RBC Quant U.S. Dividend Leaders (CAD Hedged) ETF	RBC Quant Emerging Markets Equity Leaders ETF
RBC Target 2024 Corporate Bond Index ETF	RBC Quant U.S. Equity Leaders ETF	RBC Emerging Markets Equity Index ETF
RBC Target 2025 Corporate Bond Index ETF	RBC Quant U.S. Equity Leaders (CAD Hedged) ETF	RBC Strategic Global Dividend Leaders ETF
RBC PH&N Short Term Canadian Bond ETF	RBC U.S. Equity Index ETF	RBC Strategic Global Equity Leaders ETF
RBC Canadian Short Term Bond Index ETF	RBC U.S. Equity (CAD Hedged) Index ETF	RBC Quant Global Infrastructure Leaders ETF
RBC Canadian Bond Index ETF	RBC U.S. Banks Yield Index ETF	RBC Quant Global Real Estate Leaders ETF
RBC Short Term U.S. Corporate Bond ETF	RBC U.S. Banks Yield (CAD Hedged) Index ETF	(collectively, the "ETFs", individually the "ETF")
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RBC BlueBay Global Diversified Income (CAD Hedged) ETF	RBC Quant European Dividend Leaders (CAD Hedged) ETF	

Our opinion

In our opinion, the accompanying December 31, 2018 annual financial statements of each of the ETFs present fairly, in all material respects, the financial position of each ETF, its financial performance and its cash flows as at and for the periods indicated in note 2 in accordance with International Financial Reporting Standards ("IFRS").

What we have audited

The financial statements of each of the ETFs comprise:

- the statements of financial position as at the period-end dates indicated in note 2;
- the statements of comprehensive income for the periods indicated in note 2;
- the statements of cash flow for the periods indicated in note 2;
- the statements of changes in net assets attributable to holders of redeemable units ("NAV") for the periods indicated in note 2; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of each of the ETFs in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Management is responsible for the other information of each of the ETFs. The other information comprises the 2018 Annual Management Report of Fund Performance of each of the ETFs.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of each of the ETFs, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of each of the ETFs or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements of each of the ETFs in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of each of the ETFs to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate any of the ETFs or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of each of the ETFs.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole for each ETF are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements of each of the ETFs.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of each of the ETFs, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of each of the ETFs.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of each of the ETFs to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements of each of the ETFs or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause any of the ETFs to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of each of the ETFs, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Patrizia Perruzza.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario

March 11, 2019



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC 1-5 YEAR LADDERED CANADIAN BOND ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS						
FEDERAL & PROVINCIAL						
11 992	Canada Housing Trust No. 1	2.900	15-Jun-2024	\$ 12 235	\$ 12 334	
12 282	Government of Canada	1.750	01-Aug-2020	12 225	12 263	
6 296	Province of Alberta	1.350	01-Sep-2021	6 158	6 156	
5 997	Province of British Columbia	3.250	18-Dec-2021	6 387	6 178	
6 029	Province of Ontario	3.150	02-Jun-2022	6 379	6 190	
6 077	Province of Ontario	2.850	02-Jun-2023	6 269	6 177	
5 930	Province of Quebec	3.500	01-Dec-2022	6 297	6 184	
5 973	Province of Quebec	3.000	01-Sep-2023	6 218	6 120	
TOTAL CANADIAN BONDS				62 168	61 602	29.9
Holdings	Security			Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS						
1 442	RBC Target 2020 Corporate Bond Index ETF*			\$ 29 461	\$ 28 651	
1 467	RBC Target 2021 Corporate Bond Index ETF*			29 706	28 730	
1 501	RBC Target 2022 Corporate Bond Index ETF*			29 466	28 775	
1 526	RBC Target 2023 Corporate Bond Index ETF*			29 170	28 811	
1 442	RBC Target 2024 Corporate Bond Index ETF*			28 740	28 872	
TOTAL UNDERLYING FUNDS				146 543	143 839	69.9
Less: Transaction costs				(20)	—	—
TOTAL INVESTMENTS				\$ 208 691	205 441	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					318	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 205 759	100.0

* Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 205 441	\$ 231 209
Cash	79	223
Due from investment dealers	—	3 839
Dividends receivable, interest accrued and other assets	626	701
TOTAL ASSETS	206 146	235 972
LIABILITIES		
Redemptions payable	—	3 842
Distributions payable	380	613
Accounts payable and accrued expenses	7	10
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	387	4 465
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 205 759	\$ 231 507
Investments at cost	\$ 208 691	\$ 235 362
NAV PER UNIT	\$ 18.96	\$ 19.21

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 1 727	\$ 1 830
Income from investment trusts	3 999	4 342
Net realized gain (loss) on investments	(3 486)	(2 549)
Change in unrealized gain (loss) on investments	903	(3 312)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	3 143	311
Securities lending revenue (see note 8 in the generic notes)	10	8
TOTAL OTHER INCOME (LOSS)	10	8
TOTAL INCOME (LOSS)	3 153	319
EXPENSES (see notes – ETF Specific Information)		
Management fees	92	88
GST/HST	10	9
Transaction costs	16	18
TOTAL EXPENSES	118	115
INCREASE (DECREASE) IN NAV	\$ 3 035	\$ 204
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.27	\$ 0.02



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 3 035	\$ 204
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	3 486	2 549
Change in unrealized loss (gain) on investments	(903)	3 312
Non-cash distributions from underlying funds	(6)	—
(Increase) decrease in accrued receivables	75	(378)
Increase (decrease) in accrued payables	(3)	5
Cost of investments purchased*	(54 001)	(92 062)
Proceeds from sale and maturity of investments*	54 426	91 691
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	6 109	5 321
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	40	336
Cash paid on redemption of redeemable units*	(74)	(31)
Distributions paid to holders of redeemable units	(6 219)	(5 657)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (6 253)	\$ (5 352)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	(144)	(31)
Cash (bank overdraft), beginning of period	223	254
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 79	\$ 223
Interest received (paid)	\$ 1 802	\$ 1 452
Income received from investment trusts	\$ 3 999	\$ 4 342
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	2018	Total 2017
NAV AT BEGINNING OF PERIOD	\$ 231 507	\$ 125 017
INCREASE (DECREASE) IN NAV	3 035	204
Early redemption fees	—	—
Proceeds from redeemable units issued	37 029	147 114
Reinvestments of distributions to holders of redeemable units	—	—
Redemption of redeemable units	(59 826)	(34 779)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(22 797)	112 335
Distributions from net income	(5 600)	(5 909)
Distributions from net gains	—	(3)
Distributions from capital	(386)	(137)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(5 986)	(6 049)
NET INCREASE (DECREASE) IN NAV	(25 748)	106 490
NAV AT END OF PERIOD	\$ 205 759	\$ 231 507



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure primarily to the performance of a diversified portfolio of Canadian corporate and government bonds, divided (“laddered”) into five groupings with staggered maturities from one to five years, which will provide regular income while seeking to preserve capital.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the ETF’s credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	15.0	15.0
AA	46.6	20.1
A	21.9	47.9
BBB	16.5	17.0
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF’s investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Corporate Bonds		
Financials	43.6	43.2
Energy	6.3	6.8
Communication Services	5.8	7.0
Industrials	3.6	4.9
Real Estate	2.8	2.5
Infrastructure	2.7	4.6
Government and Provincial Bonds	34.5	30.2
Other Net Assets	0.7	0.8
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the ETF’s exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	—	—
1 – 5 years	79.9	84.2
5 – 10 years	20.1	15.8
> 10 years	—	—
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF’s NAV may have decreased or increased, respectively, by approximately 2.3% (December 31, 2017 – 3.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	143 839	—	—	143 839
Fixed-income				
and debt securities	—	61 602	—	61 602
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	143 839	61 602	—	205 441
% of total portfolio	70.0	30.0	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	161 985	—	—	161 985
Fixed-income				
and debt securities	—	69 224	—	69 224
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	161 985	69 224	—	231 209
% of total portfolio	70.1	29.9	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is the manager, trustee and portfolio manager of the ETF. A management fee is charged indirectly and directly to the ETF: indirectly as this ETF invests in the units of other RBC ETFs and the other RBC ETFs pay management fees; and directly for other portfolio manager activities. The total management fee will not exceed 0.22%, before GST/HST, of the daily NAV of the ETF.



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the ETF's interest in the sponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Target 2019 Corporate Bond Index ETF	–	–	14.0	19.8
RBC Target 2020 Corporate Bond Index ETF	14.0	17.5	14.0	25.1
RBC Target 2021 Corporate Bond Index ETF	14.0	27.0	14.0	26.5
RBC Target 2022 Corporate Bond Index ETF	14.0	32.3	14.0	31.2
RBC Target 2023 Corporate Bond Index ETF	14.0	37.8	14.0	34.5
RBC Target 2024 Corporate Bond Index ETF	14.1	39.6	–	–

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	4 913
Non-capital losses	–

Redeemable units (000s)
(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Opening units	12 050	6 350
Issued number of units	1 950	7 500
Reinvested number of units	–	–
Redeemed number of units	(3 150)	(1 800)
Ending number of units	10 850	12 050

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	16	100	18	100
Related-party brokerage commissions*	1	6	18	100
Commission arrangements [†]	–	–	–	–

* See note 9 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	10 968	13 862
Fair value of collateral received	11 187	14 139

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	14	100	11	100
RBC IS (paid)	(4)	(25)	(3)	(27)
Tax withheld	–	–	–	–
ETF revenue	10	75	8	73



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC 1-5 YEAR LADDERED CORPORATE BOND ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
1 901 516	RBC Target 2020 Corporate Bond Index ETF*	\$ 39 163	\$ 37 775	
1 935 609	RBC Target 2021 Corporate Bond Index ETF*	39 126	37 896	
1 978 678	RBC Target 2022 Corporate Bond Index ETF*	38 909	37 930	
2 007 591	RBC Target 2023 Corporate Bond Index ETF*	38 406	37 912	
1 897 209	RBC Target 2024 Corporate Bond Index ETF*	37 805	37 980	
TOTAL UNDERLYING FUNDS		193 409	189 493	99.9
Less: Transaction costs		(44)	—	—
TOTAL INVESTMENTS		<u>\$ 193 365</u>	189 493	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			136	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 189 629</u>	100.0

* Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 189 493	\$ 255 521
Cash	4	1
Dividends receivable, interest accrued and other assets	485	742
TOTAL ASSETS	189 982	256 264
LIABILITIES		
Distributions payable	354	737
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	353	737
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 189 629	\$ 255 527
Investments at cost	\$ 193 365	\$ 261 733
NAV PER UNIT	\$ 18.78	\$ 19.07

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Income from investment trusts	\$ 6 139	\$ 7 048
Net realized gain (loss) on investments	(5 500)	(2 160)
Change in unrealized gain (loss) on investments	2 340	(3 687)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	2 979	1 201
Securities lending revenue (see note 8 in the generic notes)	—	6
TOTAL OTHER INCOME (LOSS)	—	6
TOTAL INCOME (LOSS)	2 979	1 207
EXPENSES (see notes – ETF Specific Information)		
Transaction costs	22	29
TOTAL EXPENSES	22	29
INCREASE (DECREASE) IN NAV	\$ 2 957	\$ 1 178
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.24	\$ 0.10



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 2 957	\$ 1 178
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	5 500	2 160
Change in unrealized loss (gain) on investments	(2 340)	3 687
Non-cash distributions from underlying funds	(8)	—
(Increase) decrease in accrued receivables	257	(241)
Increase (decrease) in accrued payables	—	—
Cost of investments purchased*	(40 252)	(54 623)
Proceeds from sale and maturity of investments*	41 032	54 509
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	7 146	6 670
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	1	2
Cash paid on redemption of redeemable units*	(2)	(1)
Distributions paid to holders of redeemable units	(7 142)	(6 671)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (7 143)	\$ (6 670)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	3	—
Cash (bank overdraft), beginning of period	1	1
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 4	\$ 1
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 6 396	\$ 6 807
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 255 527	\$ 190 238
INCREASE (DECREASE) IN NAV	2 957	1 178
Early redemption fees	—	—
Proceeds from redeemable units issued	26 481	89 375
Reinvestments of distributions to holders of redeemable units	—	—
Redemption of redeemable units	(88 577)	(18 244)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(62 096)	71 131
Distributions from net income	(6 157)	(6 818)
Distributions from net gains	—	(5)
Distributions from capital	(602)	(197)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(6 759)	(7 020)
NET INCREASE (DECREASE) IN NAV	(65 898)	65 289
NAV AT END OF PERIOD	\$ 189 629	\$ 255 527



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure to the performance of a diversified portfolio of Canadian corporate bonds, divided (“laddered”) into five groupings with staggered maturities from one to five years, which will provide regular income while seeking to preserve capital.

Financial instrument risk and capital management (see note 5 in the generic notes)

The ETF invests primarily in other ETFs. The ETF’s exposure to financial instrument risk is based on the underlying ETF asset mix. The following tables present the ETF’s direct risks and pro rata exposure to the risks of the underlying ETFs.

Credit risk (%)

The table below summarizes the ETF’s credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AA	45.3	20.2
A	31.3	55.5
BBB	23.4	24.3
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF’s investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Corporate Bonds		
Financials	62.4	61.7
Energy	9.0	9.8
Communication Services	8.2	10.1
Industrials	5.1	7.0
Real Estate	4.0	3.6
Infrastructure	3.9	6.6
Provincial Bonds	6.6	0.1
Other Net Assets	0.8	1.1
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the ETF’s exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	—	—
1 – 5 years	80.0	84.6
5 – 10 years	20.0	15.4
> 10 years	—	—
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF’s NAV may have decreased or increased, respectively, by approximately 3.2% (December 31, 2017 – 3.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	189 493	—	—	189 493
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	189 493	—	—	189 493
% of total portfolio	100.0	—	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	255 521	—	—	255 521
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	255 521	—	—	255 521
% of total portfolio	100.0	—	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

A management fee is not charged directly to the ETF as this ETF invests in the units of other RBC ETFs.



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the ETF's interest in the sponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Target 2019 Corporate Bond Index ETF	–	–	20.0	31.3
RBC Target 2020 Corporate Bond Index ETF	20.0	23.1	20.0	39.6
RBC Target 2021 Corporate Bond Index ETF	20.0	35.6	20.0	41.8
RBC Target 2022 Corporate Bond Index ETF	20.0	42.6	20.0	49.2
RBC Target 2023 Corporate Bond Index ETF	20.0	49.7	20.0	54.5
RBC Target 2024 Corporate Bond Index ETF	20.1	52.1	–	–

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	8 159
Non-capital losses	–

Redeemable units (000s)
(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	13 400	9 750
Issued number of units	1 400	4 600
Reinvested number of units	–	–
Redeemed number of units	(4 700)	(950)
Ending number of units	10 100	13 400

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	22	100	29	100
Related-party brokerage commissions*	1	5	29	100
Commission arrangements [†]	–	–	–	–

* See note 9 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	–	473
Fair value of collateral received	–	482

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	–	100	8	100
RBC IS (paid)	–	(25)	(2)	(30)
Tax withheld	–	–	–	–
ETF revenue	–	75	6	70



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC 6-10 YEAR LADDERED CANADIAN CORPORATE BOND ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS						
CORPORATE						
294	407 International Inc.	2.430	04-May-2027	\$ 281	\$ 281	
152	AIMCo Realty Investors LP	2.266	26-Jun-2024	146	146	
504	AIMCo Realty Investors LP	3.043	01-Jun-2028	496	495	
294	Alectra Inc.	2.488	17-May-2027	281	282	
140	Alimentation Couche-Tard Inc.	3.056	26-Jul-2024	137	135	
140	AltaGas Ltd.	4.120	07-Apr-2026	144	138	
266	AltaLink LP	3.399	06-Jun-2024	275	273	
280	AltaLink LP	2.747	29-May-2026	276	276	
232	Bank of Montreal	4.609	10-Sep-2025	258	254	
141	Bank of Montreal	2.700	09-Dec-2026	137	137	
138	Bank of Montreal	3.190	01-Mar-2028	138	138	
140	Bank of Nova Scotia	2.290	28-Jun-2024	135	135	
479	Bank of Nova Scotia	3.100	02-Feb-2028	477	476	
378	bclMC Realty Corp.	2.840	03-Jun-2025	374	374	
280	bclMC Realty Corp.	3.000	31-Mar-2027	276	277	
210	Bell Canada	2.700	27-Feb-2024	205	203	
210	Bell Canada	3.550	02-Mar-2026	211	209	
162	Bell Canada	3.800	21-Aug-2028	161	160	
126	Brookfield Asset Management Inc.	4.820	28-Jan-2026	135	131	
215	Brookfield Infrastructure Finance ULC	4.193	11-Sep-2028	215	213	
280	Brookfield Renewable Energy Partners ULC	3.752	02-Jun-2025	284	277	
140	Bruce Power LP	3.000	21-Jun-2024	138	137	
295	Bruce Power LP	3.969	23-Jun-2026	304	300	
326	Canadian Imperial Bank of Commerce	3.300	26-May-2025	327	331	
140	Canadian National Railway Co.	2.800	22-Sep-2025	139	140	
167	Canadian National Railway Co.	3.200	31-Jul-2028	166	168	
196	Enbridge Gas Distribution Inc.	3.310	11-Sep-2025	201	198	
140	Enbridge Inc.	3.200	08-Jun-2027	132	133	
210	Enbridge Pipelines Inc.	3.450	29-Sep-2025	213	210	
280	Enbridge Pipelines Inc.	3.000	10-Aug-2026	273	271	
140	Fairfax Financial Holdings Ltd.	4.250	06-Dec-2027	138	137	
172	Greater Toronto Airports Authority	6.450	03-Dec-2027	223	218	
306	Great-West Lifeco Inc.	3.337	28-Feb-2028	306	308	
140	Honda Canada Finance Inc.	3.444	23-May-2025	140	141	
140	Husky Energy Inc.	3.600	10-Mar-2027	138	135	
162	Hydro One Inc.	2.970	26-Jun-2025	162	161	
328	Hydro One Inc.	2.770	24-Feb-2026	323	319	
210	IGM Financial Inc.	3.440	26-Jan-2027	208	208	
182	Intact Financial Corp.	2.850	07-Jun-2027	173	173	
140	Inter Pipeline Ltd.	2.734	18-Apr-2024	135	133	
183	Metro Inc.	3.390	06-Dec-2027	179	175	
274	North West Redwater Partnership	3.200	22-Jul-2024	277	273	
140	North West Redwater Partnership	3.200	24-Apr-2026	139	138	
210	OMERS Realty Corp.	2.858	23-Feb-2024	210	209	
280	OMERS Realty Corp.	3.244	04-Oct-2027	280	281	
209	Pembina Pipeline Corp.	3.540	03-Feb-2025	209	207	
140	Pembina Pipeline Corp.	3.710	11-Aug-2026	139	138	
140	Pembina Pipeline Corp.	4.020	27-Mar-2028	140	139	
196	Rogers Communications Inc.	4.000	13-Mar-2024	205	201	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
449	Royal Bank of Canada*	4.930	16-Jul-2025	\$ 508	\$ 500	
140	Saputo Inc.	3.603	14-Aug-2025	140	139	
260	Shaw Communications Inc.	4.350	31-Jan-2024	275	268	
162	Shaw Communications Inc.	4.400	02-Nov-2028	162	162	
140	Suncor Energy Inc.	3.000	14-Sep-2026	137	136	
196	TELUS Corp.	3.750	17-Jan-2025	201	198	
140	TELUS Corp.	3.750	10-Mar-2026	142	141	
156	TELUS Corp.	3.625	01-Mar-2028	154	153	
140	Toromont Industries Ltd.	3.842	27-Oct-2027	141	141	
708	Toronto-Dominion Bank	3.226	24-Jul-2024	723	719	
140	TransCanada PipeLines Ltd.	3.300	17-Jul-2025	142	140	
178	TransCanada PipeLines Ltd.	3.390	15-Mar-2028	175	174	
140	Westcoast Energy Inc.	3.430	12-Sep-2024	142	142	
				13 701	13 605	98.9
TOTAL INVESTMENTS				\$ 13 701	13 605	98.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					145	1.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 13 750	100.0

* Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 13 605	\$ 2 984
Cash	51	9
Dividends receivable, interest accrued and other assets	126	24
TOTAL ASSETS	13 782	3 017
LIABILITIES		
Distributions payable	29	12
Accounts payable and accrued expenses	3	1
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	32	13
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 13 750	\$ 3 004
Investments at cost	\$ 13 701	\$ 2 990
NAV PER UNIT	\$ 19.64	\$ 20.03

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 381	\$ 20
Net realized gain (loss) on investments	(24)	7
Change in unrealized gain (loss) on investments	(90)	(6)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	267	21
Securities lending revenue (see note 8 in the generic notes)	2	—
TOTAL OTHER INCOME (LOSS)	2	—
TOTAL INCOME (LOSS)	269	21
EXPENSES (see notes – ETF Specific Information)		
Management fees	29	2
GST/HST	3	—
TOTAL EXPENSES	32	2
INCREASE (DECREASE) IN NAV	\$ 237	\$ 19
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.41	\$ 0.14



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 237	\$ 19
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	24	(7)
Change in unrealized loss (gain) on investments	90	6
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	(102)	(24)
Increase (decrease) in accrued payables	2	1
Cost of investments purchased*	(3 328)	(812)
Proceeds from sale and maturity of investments*	3 419	836
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	342	19
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	15	1
Cash paid on redemption of redeemable units*	—	(4)
Distributions paid to holders of redeemable units	(315)	(7)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (300)	\$ (10)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	42	9
Cash (bank overdraft), beginning of period	9	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 51	\$ 9
Interest received (paid)	\$ 279	\$ (4)
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 3 004	\$ —
INCREASE (DECREASE) IN NAV	237	19
Early redemption fees	—	—
Proceeds from redeemable units issued	10 841	3 004
Reinvestments of distributions to holders of redeemable units	—	6
Redemption of redeemable units	—	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	10 841	3 010
Distributions from net income	(332)	(19)
Distributions from net gains	—	(6)
Distributions from capital	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(332)	(25)
NET INCREASE (DECREASE) IN NAV	10 746	3 004
NAV AT END OF PERIOD	\$ 13 750	\$ 3 004

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure to the performance of a diversified portfolio of Canadian corporate bonds, divided (“laddered”) into five groupings with successive maturities ranging from six to ten years, that will provide regular income while preserving capital.

The ETF was started September 8, 2017.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the ETF’s credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AA	32.9	23.8
A	28.4	40.9
BBB	38.7	35.3
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF’s investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Canadian Bonds		
Financials	26.5	21.3
Energy	24.9	22.0
Infrastructure	14.7	14.5
Real Estate	13.0	14.2
Communication Services	12.3	9.0
Industrials	7.5	7.4
Provincial Bonds	–	10.9
Other Net Assets	1.1	0.7
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the ETF’s exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	–	–
1 – 5 years	–	–
5 – 10 years	100.0	84.0
> 10 years	–	16.0
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF’s NAV may have decreased or increased, respectively, by approximately 6.3% (December 31, 2017 – 7.1%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	13 605	–	13 605
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	13 605	–	13 605
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	2 984	–	2 984
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	2 984	–	2 984
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.25% annually, before GST/HST, of the daily NAV of the ETF.

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	21
Non-capital losses	–



December 31, 2018

Redeemable units (000s)

(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	150	—
Issued number of units	550	150
Reinvested number of units	—	—
Redeemed number of units	—	—
Ending number of units	700	150

Securities lending revenue (\$000s except %)

(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	2 112	337
Fair value of collateral received	2 155	345

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	3	100	—	—
RBC IS (paid)	(1)	(25)	—	—
Tax withheld	—	—	—	—
ETF revenue	2	75	—	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC TARGET 2019 CORPORATE BOND INDEX ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS						
CORPORATE						
4 239	Bank of Nova Scotia*, FRN	3.036	18-Oct-2024	\$ 4 335	\$ 4 249	
3 457	Brookfield Asset Management Inc.	3.950	09-Apr-2019	3 581	3 471	
1 480	Cameco Corp.	5.670	02-Sep-2019	1 593	1 507	
466	Canadian Imperial Bank of Commerce	2.350	24-Jun-2019	474	466	
1 756	CU Inc.	6.800	13-Aug-2019	1 992	1 804	
2 311	Enbridge Inc.	4.770	02-Sep-2019	2 464	2 344	
1 387	Intact Financial Corp.	5.410	03-Sep-2019	1 507	1 414	
4 372	National Bank of Canada	2.404	28-Oct-2019	4 436	4 374	
1 479	NAV Canada	5.304	17-Apr-2019	1 606	1 492	
1 706	Rogers Communications Inc.	5.380	04-Nov-2019	1 808	1 744	
2 007	Royal Bank of Canada* [†] , FRN	2.990	06-Dec-2024	2 049	2 012	
2 183	Royal Bank of Canada [†]	2.980	07-May-2019	2 247	2 189	
3 647	Shaw Communications Inc.	5.650	01-Oct-2019	3 967	3 725	
825	SNC-Lavalin Group Inc.	6.190	03-Jul-2019	901	839	
1 663	Sun Life Financial Inc.	5.700	02-Jul-2019	1 816	1 690	
1 482	Toronto Hydro Corp.	4.490	12-Nov-2019	1 594	1 509	
4 185	Wells Fargo Canada Corp.	2.944	25-Jul-2019	4 299	4 198	
76	Westcoast Energy Inc.	5.600	16-Jan-2019	82	76	
TOTAL INVESTMENTS				\$ 40 751	39 103	99.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					116	0.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 39 219	100.0

* Interest rate risk (see note 5 in the generic notes).

[†] Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

	December 31 2018	December 31 2017
(see note 2 in the generic notes)		
ASSETS		
Investments at fair value	\$ 39 103	\$ 158 523
Cash	33	4 144
Dividends receivable, interest accrued and other assets	456	1 710
TOTAL ASSETS	39 592	164 377
LIABILITIES		
Distributions payable	361	995
Accounts payable and accrued expenses	12	40
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	373	1 035
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 39 219	\$ 163 342
Investments at cost	\$ 40 751	\$ 164 335
NAV PER UNIT	\$ 18.68	\$ 19.22

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 5 494	\$ 6 895
Net realized gain (loss) on investments	(7 083)	(1 756)
Change in unrealized gain (loss) on investments	4 164	(3 587)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	2 575	1 552
Other income (loss)	2	—
Securities lending revenue (see note 8 in the generic notes)	9	10
TOTAL OTHER INCOME (LOSS)	11	10
TOTAL INCOME (LOSS)	2 586	1 562
EXPENSES (see notes – ETF Specific Information)		
Management fees	323	384
Independent Review Committee costs	2	3
GST/HST	31	36
TOTAL EXPENSES	356	423
INCREASE (DECREASE) IN NAV	\$ 2 230	\$ 1 139
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.33	\$ 0.15

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 2 230	\$ 1 139
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	7 083	1 756
Change in unrealized loss (gain) on investments	(4 164)	3 587
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	1 254	(326)
Increase (decrease) in accrued payables	(28)	8
Cost of investments purchased*	(36 012)	(17 112)
Proceeds from sale and maturity of investments*	31 617	20 690
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	1 980	9 742
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	5	61
Cash paid on redemption of redeemable units*	(116)	(14)
Distributions paid to holders of redeemable units	(5 980)	(5 961)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (6 091)	\$ (5 914)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	(4 111)	3 828
Cash (bank overdraft), beginning of period	4 144	316
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 33	\$ 4 144
Interest received (paid)	\$ 6 748	\$ 6 568
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	2018	Total 2017
NAV AT BEGINNING OF PERIOD	\$ 163 342	\$ 127 224
INCREASE (DECREASE) IN NAV	2 230	1 139
Early redemption fees	—	—
Proceeds from redeemable units issued	4 753	45 398
Reinvestments of distributions to holders of redeemable units	—	—
Redemption of redeemable units	(125 760)	(3 873)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(121 007)	41 525
Distributions from net income	(5 341)	(6 546)
Distributions from net gains	—	—
Distributions from capital	(5)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(5 346)	(6 546)
NET INCREASE (DECREASE) IN NAV	(124 123)	36 118
NAV AT END OF PERIOD	\$ 39 219	\$ 163 342



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide income for a limited period of time ending on its termination date by replicating, to the extent possible, the investment results that correspond generally to the performance, before fees and expenses, of the FTSE Canada 2019 Maturity Corporate Bond Index*.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the ETF's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AA	9.4	8.2
A	64.4	66.9
BBB	26.2	24.9
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Corporate Bonds		
Financials	52.5	52.7
Industrials	14.8	11.2
Communication Services	13.9	9.6
Energy	10.8	10.8
Infrastructure	7.7	12.7
Other Net Assets	0.3	3.0
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the ETF's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	100.0	—
1 – 5 years	—	100.0
5 – 10 years	—	—
> 10 years	—	—
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 0.6% (December 31, 2017 – 1.6%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	39 103	—	39 103
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	—	39 103	—	39 103
% of total portfolio	—	100.0	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	158 523	—	158 523
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	—	158 523	—	158 523
% of total portfolio	—	100.0	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
Until December 31, 2018	0.25%
Effective January 1, 2019	0.20%



December 31, 2018

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	7 244
Non-capital losses	—

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	8 500	6 400
Issued number of units	250	2 300
Reinvested number of units	—	—
Redeemed number of units	(6 650)	(200)
Ending number of units	2 100	8 500

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	3 822	9 752
Fair value of collateral received	3 899	9 947

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	12	100	14	100
RBC IS (paid)	(3)	(25)	(4)	(28)
Tax withheld	—	—	—	—
ETF revenue	9	75	10	72

Investments by other related investment funds (%) (see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC 1-5 Year Laddered Canadian Bond ETF	—	19.8
RBC 1-5 Year Laddered Corporate Bond ETF	—	31.3
Total	—	51.1

Subsequent event

Effective on or about November 30, 2019, the ETF will reach its maturity date as per the prospectus and investment mandate.

The ETF has applied IFRS on a non-going concern basis for the period ended December 31, 2018. In this case, the non-going concern basis of preparation in accordance with IFRS does not result in any material adjustments to the carrying amounts of assets and liabilities of the ETF prepared on a going concern basis in accordance with IFRS.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC TARGET 2020 CORPORATE BOND INDEX ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS						
CORPORATE						
2 615	407 International Inc.	4.990	16-Jun-2020	\$ 2 864	\$ 2 706	
9 617	Bank of Montreal	2.840	04-Jun-2020	9 849	9 657	
10 580	Bank of Nova Scotia	2.270	13-Jan-2020	10 688	10 563	
2 732	Bank of Nova Scotia	2.090	09-Sep-2020	2 740	2 709	
4 369	BMW Canada Inc.	1.880	11-Dec-2020	4 308	4 296	
11 801	Caisse Centrale Desjardins	1.748	02-Mar-2020	11 740	11 700	
13 115	Canadian Imperial Bank of Commerce	1.660	20-Jan-2020	13 001	13 012	
7 866	Canadian Natural Resources Ltd.	2.050	01-Jun-2020	7 801	7 758	
7 863	Capital Desjardins Inc.	5.187	05-May-2020	8 520	8 113	
4 374	Enbridge Inc.	4.530	09-Mar-2020	4 626	4 460	
3 050	Enbridge Pipelines Inc.	4.450	06-Apr-2020	3 253	3 115	
4 373	General Motors Financial of Canada Ltd.	3.080	22-May-2020	4 416	4 363	
1 898	Genworth MI Canada Inc.	5.680	15-Jun-2020	2 042	1 964	
4 344	Great-West Lifeco Inc.	4.650	13-Aug-2020	4 692	4 482	
9 178	HSBC Bank Canada	2.938	14-Jan-2020	9 383	9 211	
2 183	HSBC Bank Canada	1.816	07-Jul-2020	2 161	2 154	
2 615	Hydro One Inc.	4.400	01-Jun-2020	2 812	2 681	
1 526	Loblaw Companies Ltd.	5.220	18-Jun-2020	1 660	1 578	
8 742	National Bank of Canada	1.742	03-Mar-2020	8 696	8 666	
3 046	Nissan Canada Financial Services Inc.	1.750	09-Apr-2020	3 010	3 004	
4 376	Nissan Canada Financial Services Inc.	2.420	19-Oct-2020	4 371	4 329	
2 616	OMERS Realty Corp.	3.203	24-Jul-2020	2 708	2 641	
3 927	Rogers Communications Inc.	4.700	29-Sep-2020	4 225	4 047	
13 119	Royal Bank of Canada*	1.920	17-Jul-2020	13 119	12 995	
2 182	Shaw Communications Inc.	5.500	07-Dec-2020	2 395	2 282	
4 373	Sun Life Financial Inc.†, FRN	2.600	25-Sep-2025	4 369	4 352	
2 616	TELUS Corp.	5.050	23-Jul-2020	2 840	2 706	
651	Teranet Holdings LP	4.807	16-Dec-2020	696	670	
1 529	Toronto-Dominion Bank	1.693	02-Apr-2020	1 521	1 514	
9 890	Toronto-Dominion Bank	2.563	24-Jun-2020	10 061	9 895	
1 082	Westcoast Energy Inc.	4.570	02-Jul-2020	1 155	1 108	
TOTAL INVESTMENTS				\$ 165 722	162 731	99.3
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					1 160	0.7
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 163 891	100.0

* Investment in related party (see note 9 in the generic notes).

† Interest rate risk (see note 5 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 162 731	\$ 128 292
Cash	568	550
Subscriptions receivable	1 202	1 003
Dividends receivable, interest accrued and other assets	—	947
TOTAL ASSETS	164 501	130 792
LIABILITIES		
Due to investment dealers	—	1 002
Distributions payable	569	294
Accounts payable and accrued expenses	41	32
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	610	1 328
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 163 891	\$ 129 464
Investments at cost	\$ 165 722	\$ 131 153
NAV PER UNIT	\$ 19.87	\$ 20.07

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 4 078	\$ 3 540
Net realized gain (loss) on investments	(1 253)	(585)
Change in unrealized gain (loss) on investments	(130)	(2 027)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	2 695	928
Other income (loss)	2	—
Securities lending revenue (see note 8 in the generic notes)	25	13
TOTAL OTHER INCOME (LOSS)	27	13
TOTAL INCOME (LOSS)	2 722	941
EXPENSES (see notes – ETF Specific Information)		
Management fees	343	295
Independent Review Committee costs	3	2
GST/HST	35	31
TOTAL EXPENSES	381	328
INCREASE (DECREASE) IN NAV	\$ 2 341	\$ 613
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.34	\$ 0.11



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 2 341	\$ 613
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	1 253	585
Change in unrealized loss (gain) on investments	130	2 027
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	947	(203)
Increase (decrease) in accrued payables	9	8
Cost of investments purchased*	(8 020)	(24 397)
Proceeds from sale and maturity of investments*	5 697	24 605
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	2 357	3 238
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	1 163	60
Cash paid on redemption of redeemable units*	(102)	(9)
Distributions paid to holders of redeemable units	(3 400)	(3 127)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (2 339)	\$ (3 076)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	18	162
Cash (bank overdraft), beginning of period	550	388
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 568	\$ 550
Interest received (paid)	\$ 5 025	\$ 3 337
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 129 464	\$ 94 176
INCREASE (DECREASE) IN NAV	2 341	613
Early redemption fees	—	—
Proceeds from redeemable units issued	70 595	41 915
Reinvestments of distributions to holders of redeemable units	—	—
Redemption of redeemable units	(34 834)	(4 035)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	35 761	37 880
Distributions from net income	(3 664)	(3 205)
Distributions from net gains	—	—
Distributions from capital	(11)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 675)	(3 205)
NET INCREASE (DECREASE) IN NAV	34 427	35 288
NAV AT END OF PERIOD	\$ 163 891	\$ 129 464



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide income for a limited period of time ending on its termination date by replicating, to the extent possible, the investment results that correspond generally to the performance, before fees and expenses, of the FTSE Canada 2020 Maturity Corporate Bond Index*.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the ETF's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AA	52.9	22.7
A	26.2	53.4
BBB	20.9	23.9
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Corporate Bonds		
Financials	74.9	72.6
Energy	10.0	9.7
Communication Services	5.5	8.1
Industrials	4.0	3.9
Infrastructure	3.3	3.2
Real Estate	1.6	1.6
Other Net Assets	0.7	0.9
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the ETF's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	—	—
1 – 5 years	100.0	100.0
5 – 10 years	—	—
> 10 years	—	—
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 1.3% (December 31, 2017 – 2.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	162 731	—	162 731
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	—	162 731	—	162 731
% of total portfolio	—	100.0	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	128 282	—	128 282
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	—	128 282	—	128 282
% of total portfolio	—	100.0	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
Until December 31, 2019	0.25%
Effective January 1, 2020	0.20%



December 31, 2018

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	1 117
Non-capital losses	—

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	6 450	4 600
Issued number of units	3 550	2 050
Reinvested number of units	—	—
Redeemed number of units	(1 750)	(200)
Ending number of units	8 250	6 450

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	30 777	16 187
Fair value of collateral received	31 393	16 511

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	37	100	19	100
RBC IS (paid)	(9)	(25)	(5)	(27)
Tax withheld	(3)	(8)	(1)	(7)
ETF revenue	25	67	13	66

Investments by other related investment funds (%) (see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC 1-5 Year Laddered Canadian Bond ETF	17.5	25.1
RBC 1-5 Year Laddered Corporate Bond ETF	23.1	39.6
RBC Global Corporate Bond Fund	39.5	—
Total	80.1	64.7



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC TARGET 2021 CORPORATE BOND INDEX ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS						
CORPORATE						
3 104	407 International Inc.	4.300	26-May-2021	\$ 3 422	\$ 3 212	
4 039	Bank of Montreal	3.400	23-Apr-2021	4 275	4 102	
2 657	Bank of Nova Scotia	3.270	11-Jan-2021	2 793	2 688	
2 524	Bank of Nova Scotia	2.873	04-Jun-2021	2 614	2 532	
2 719	bclMC Realty Corp.	2.100	03-Jun-2021	2 748	2 682	
2 458	Brookfield Asset Management Inc.	5.300	01-Mar-2021	2 719	2 564	
2 773	Bruce Power LP	2.844	23-Jun-2021	2 854	2 763	
3 594	Capital Desjardins Inc.*, FRN	4.954	15-Dec-2026	4 011	3 786	
3 880	Daimler Canada Finance Inc.	1.910	08-Jul-2021	3 840	3 776	
3 494	Daimler Canada Finance Inc.	2.230	16-Dec-2021	3 468	3 413	
3 104	Enbridge Inc.	3.160	11-Mar-2021	3 161	3 111	
1 842	Fairfax Financial Holdings Ltd.	6.400	25-May-2021	2 069	1 982	
5 816	Ford Credit Canada Co.	2.580	10-May-2021	5 781	5 613	
3 103	Honda Canada Finance Inc.	2.155	18-Feb-2021	3 134	3 062	
3 103	Honda Canada Finance Inc.	1.823	07-Dec-2021	3 066	3 009	
1 104	HSBC Bank Canada	2.449	29-Jan-2021	1 119	1 095	
5 359	HSBC Bank Canada	2.908	29-Sep-2021	5 502	5 356	
2 327	John Deere Financial Inc.	3.070	23-Jul-2021	2 331	2 345	
5 821	National Bank of Canada	1.809	26-Jul-2021	5 786	5 687	
3 877	Nissan Canada Financial Services Inc.	3.150	14-Sep-2021	3 847	3 876	
2 329	OMERS Realty Corp.	2.971	05-Apr-2021	2 422	2 344	
3 689	Rogers Communications Inc.	5.340	22-Mar-2021	4 146	3 870	
2 656	Royal Bank of Canada [†]	2.860	04-Mar-2021	2 750	2 666	
6 689	Royal Bank of Canada [†]	1.583	13-Sep-2021	6 568	6 488	
2 331	Shaw Communications Inc.	3.150	19-Feb-2021	2 387	2 331	
2 329	Sun Life Financial Inc.	4.570	23-Aug-2021	2 573	2 434	
2 719	Sun Life Financial Inc.*, FRN	3.100	19-Feb-2026	2 787	2 727	
4 272	Thomson Reuters Corp.	3.309	12-Nov-2021	4 414	4 314	
2 327	Toronto Hydro Corp.	3.540	18-Nov-2021	2 502	2 386	
3 105	Toyota Credit Canada Inc.	2.200	25-Feb-2021	3 134	3 069	
3 877	TransCanada PipeLines Ltd.	3.650	15-Nov-2021	4 131	3 957	
2 671	Wells Fargo Canada Corp.	3.040	29-Jan-2021	2 780	2 683	
TOTAL INVESTMENTS				\$ 109 134	105 923	99.3
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					779	0.7
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 106 702	100.0

* Interest rate risk (see note 5 in the generic notes).

[†] Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

	December 31 2018	December 31 2017
(see note 2 in the generic notes)		
ASSETS		
Investments at fair value	\$ 105 923	\$ 121 431
Cash	285	327
Dividends receivable, interest accrued and other assets	772	865
TOTAL ASSETS	106 980	122 623
LIABILITIES		
Distributions payable	251	308
Accounts payable and accrued expenses	27	30
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	278	338
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 106 702	\$ 122 285
Investments at cost	\$ 109 134	\$ 124 015
NAV PER UNIT	\$ 19.58	\$ 19.88

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 3 534	\$ 3 355
Net realized gain (loss) on investments	(1 249)	(88)
Change in unrealized gain (loss) on investments	(627)	(2 169)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	1 658	1 098
Other income (loss)	1	—
Securities lending revenue (see note 8 in the generic notes)	11	17
TOTAL OTHER INCOME (LOSS)	12	17
TOTAL INCOME (LOSS)	1 670	1 115
EXPENSES (see notes – ETF Specific Information)		
Management fees	293	285
Independent Review Committee costs	4	3
GST/HST	30	29
TOTAL EXPENSES	327	317
INCREASE (DECREASE) IN NAV	\$ 1 343	\$ 798
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.22	\$ 0.14

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 1 343	\$ 798
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	1 249	88
Change in unrealized loss (gain) on investments	627	2 169
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	93	(191)
Increase (decrease) in accrued payables	(3)	7
Cost of investments purchased*	(6 346)	(7 107)
Proceeds from sale and maturity of investments*	6 428	7 201
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	3 391	2 965
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	13	56
Cash paid on redemption of redeemable units*	(162)	(13)
Distributions paid to holders of redeemable units	(3 284)	(2 930)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (3 433)	\$ (2 887)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	(42)	78
Cash (bank overdraft), beginning of period	327	249
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 285	\$ 327
Interest received (paid)	\$ 3 627	\$ 3 164
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 122 285	\$ 90 047
INCREASE (DECREASE) IN NAV	1 343	798
Early redemption fees	—	—
Proceeds from redeemable units issued	14 717	43 570
Reinvestments of distributions to holders of redeemable units	—	—
Redemption of redeemable units	(28 416)	(9 103)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(13 699)	34 467
Distributions from net income	(3 217)	(3 027)
Distributions from net gains	—	—
Distributions from capital	(10)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 227)	(3 027)
NET INCREASE (DECREASE) IN NAV	(15 583)	32 238
NAV AT END OF PERIOD	\$ 106 702	\$ 122 285

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide income for a limited period of time ending on its termination date by replicating, to the extent possible, the investment results that correspond generally to the performance, before fees and expenses, of the FTSE Canada 2021 Maturity Corporate Bond Index*.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the ETF's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AA	31.2	23.6
A	46.2	52.2
BBB	22.6	24.2
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Corporate Bonds		
Financials	67.9	65.7
Communication Services	9.9	10.6
Energy	9.2	9.8
Infrastructure	5.2	5.6
Real Estate	4.7	5.0
Industrials	2.4	2.6
Other Net Assets	0.7	0.7
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the ETF's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	—	—
1 – 5 years	100.0	100.0
5 – 10 years	—	—
> 10 years	—	—
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 2.4% (December 31, 2017 – 3.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	105 923	—	105 923
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	—	105 923	—	105 923
% of total portfolio	—	100.0	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	121 431	—	121 431
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	—	121 431	—	121 431
% of total portfolio	—	100.0	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
Until December 31, 2020	0.25%
Effective January 1, 2021	0.20%



December 31, 2018

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	353
Non-capital losses	—

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	6 150	4 450
Issued number of units	750	2 150
Reinvested number of units	—	—
Redeemed number of units	(1 450)	(450)
Ending number of units	5 450	6 150

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	11 530	20 074
Fair value of collateral received	11 761	20 475

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	15	100	23	100
RBC IS (paid)	(4)	(25)	(6)	(27)
Tax withheld	—	—	—	—
ETF revenue	11	75	17	73

Investments by other related investment funds (%) (see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC 1-5 Year Laddered Canadian Bond ETF	27.0	26.5
RBC 1-5 Year Laddered Corporate Bond ETF	35.6	41.8
Total	62.6	68.3

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC TARGET 2022 CORPORATE BOND INDEX ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS						
CORPORATE						
960	407 International Inc.	2.470	08-Sep-2022	\$ 960	\$ 944	
3 143	Bank of Montreal	2.120	16-Mar-2022	3 153	3 078	
5 220	Bank of Montreal	2.270	11-Jul-2022	5 198	5 122	
3 932	Bank of Nova Scotia	1.830	27-Apr-2022	3 909	3 808	
4 765	Bank of Nova Scotia	2.360	08-Nov-2022	4 750	4 673	
798	bcIMC Realty Corp.	2.150	11-Aug-2022	805	780	
3 158	Bell Canada	3.000	03-Oct-2022	3 250	3 131	
3 195	Caisse Centrale Desjardins	2.091	17-Jan-2022	3 219	3 128	
3 427	Canadian Imperial Bank of Commerce	2.040	21-Mar-2022	3 451	3 345	
4 787	Canadian Imperial Bank of Commerce	2.300	11-Jul-2022	4 775	4 698	
1 120	Canadian Western Bank	2.924	15-Dec-2022	1 106	1 102	
1 599	Central 1 Credit Union	2.600	07-Nov-2022	1 596	1 566	
1 597	Daimler Canada Finance Inc.	3.050	16-May-2022	1 601	1 594	
1 278	Daimler Canada Finance Inc.	3.300	16-Aug-2022	1 273	1 284	
801	Dollarama Inc.	2.203	10-Nov-2022	800	766	
1 118	Enbridge Inc.	3.190	05-Dec-2022	1 151	1 115	
878	Enercare Solutions Inc.	3.380	21-Feb-2022	891	874	
2 713	Federation des Caisses Desjardins du Quebec	2.394	25-Aug-2022	2 713	2 667	
1 911	Ford Credit Canada Co.	2.766	22-Jun-2022	1 901	1 803	
1 916	Ford Credit Canada Co.	3.349	19-Sep-2022	1 950	1 824	
1 277	General Motors Financial of Canada Ltd.	2.600	01-Jun-2022	1 261	1 226	
1 276	Greater Toronto Airports Authority	3.040	21-Sep-2022	1 346	1 294	
1 276	Honda Canada Finance Inc.	2.268	15-Jul-2022	1 268	1 245	
3 195	HSBC Bank Canada	2.170	29-Jun-2022	3 158	3 105	
1 916	Hydro One Inc.	3.200	13-Jan-2022	2 028	1 937	
960	John Deere Canada Funding Inc.	2.630	21-Sep-2022	969	951	
1 117	Laurentian Bank of Canada	3.000	12-Sep-2022	1 123	1 095	
1 355	Magna International Inc.	3.100	15-Dec-2022	1 395	1 352	
2 394	National Bank of Canada	2.105	18-Mar-2022	2 397	2 341	
2 398	National Bank of Canada	1.957	30-Jun-2022	2 395	2 327	
1 596	North West Redwater Partnership	2.100	23-Feb-2022	1 592	1 552	
1 915	Rogers Communications Inc.	4.000	06-Jun-2022	2 068	1 965	
2 349	Royal Bank of Canada*	1.968	02-Mar-2022	2 337	2 291	
2 894	Royal Bank of Canada*	2.000	21-Mar-2022	2 903	2 823	
3 195	TELUS Corp.	2.350	28-Mar-2022	3 190	3 119	
3 195	The Manufacturers Life Insurance Co.†, FRN	3.181	22-Nov-2027	3 301	3 206	
4 793	Toronto-Dominion Bank	1.994	23-Mar-2022	4 814	4 679	
1 916	Toyota Credit Canada Inc.	2.020	28-Feb-2022	1 919	1 865	
1 276	Toyota Credit Canada Inc.	2.620	11-Oct-2022	1 288	1 257	
1 594	VW Credit Canada Inc.	3.700	14-Nov-2022	1 596	1 605	
TOTAL INVESTMENTS				\$ 90 800	88 537	99.3
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					601	0.7
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 89 138	100.0

* Investment in related party (see note 9 in the generic notes).

† Interest rate risk (see note 5 in the generic notes).

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 88 537	\$ 103 144
Cash	218	241
Subscriptions receivable	–	971
Dividends receivable, interest accrued and other assets	571	690
TOTAL ASSETS	89 326	105 046
LIABILITIES		
Due to investment dealers	–	970
Distributions payable	167	159
Accounts payable and accrued expenses	21	25
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	188	1 154
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 89 138	\$ 103 892
Investments at cost	\$ 90 800	\$ 104 841
NAV PER UNIT	\$ 19.17	\$ 19.42

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 2 441	\$ 2 184
Net realized gain (loss) on investments	(813)	(186)
Change in unrealized gain (loss) on investments	(566)	(1 427)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	1 062	571
Other income (loss)	1	–
Securities lending revenue (see note 8 in the generic notes)	11	9
TOTAL OTHER INCOME (LOSS)	12	9
TOTAL INCOME (LOSS)	1 074	580
EXPENSES (see notes – ETF Specific Information)		
Management fees	247	225
Independent Review Committee costs	3	2
GST/HST	25	22
TOTAL EXPENSES	275	249
INCREASE (DECREASE) IN NAV	\$ 799	\$ 331
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.15	\$ 0.07

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 799	\$ 331
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	813	186
Change in unrealized loss (gain) on investments	566	1 427
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	119	(362)
Increase (decrease) in accrued payables	(4)	12
Cost of investments purchased*	(6 077)	(83 896)
Proceeds from sale and maturity of investments*	5 971	84 198
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	2 187	1 896
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	12	61
Cash paid on redemption of redeemable units*	(49)	(8)
Distributions paid to holders of redeemable units	(2 173)	(1 899)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (2 210)	\$ (1 846)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	(23)	50
Cash (bank overdraft), beginning of period	241	191
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 218	\$ 241
Interest received (paid)	\$ 2 560	\$ 1 822
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	2018	Total 2017
NAV AT BEGINNING OF PERIOD	\$ 103 892	\$ 61 953
INCREASE (DECREASE) IN NAV	799	331
Early redemption fees	—	—
Proceeds from redeemable units issued	7 683	48 397
Reinvestments of distributions to holders of redeemable units	—	—
Redemption of redeemable units	(21 055)	(4 889)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(13 372)	43 508
Distributions from net income	(2 175)	(1 841)
Distributions from net gains	—	—
Distributions from capital	(6)	(59)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 181)	(1 900)
NET INCREASE (DECREASE) IN NAV	(14 754)	41 939
NAV AT END OF PERIOD	\$ 89 138	\$ 103 892

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide income for a limited period of time ending on its termination date by replicating, to the extent possible, the investment results that correspond generally to the performance, before fees and expenses, of the FTSE Canada 2022 Maturity Corporate Bond Index*.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the ETF's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AA	53.5	20.1
A	22.8	56.2
BBB	23.7	23.7
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Corporate Bonds		
Financials	78.2	76.7
Communication Services	9.1	9.9
Infrastructure	4.7	5.0
Industrials	3.4	3.6
Energy	3.0	3.2
Real Estate	0.9	0.9
Other Net Assets	0.7	0.7
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the ETF's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	—	—
1 – 5 years	100.0	100.0
5 – 10 years	—	—
> 10 years	—	—
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 3.3% (December 31, 2017 – 4.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	88 537	—	88 537
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	—	88 537	—	88 537
% of total portfolio	—	100.0	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	103 144	—	103 144
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	—	103 144	—	103 144
% of total portfolio	—	100.0	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
Until December 31, 2021	0.25%
Effective January 1, 2022	0.20%



December 31, 2018

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	479
Non-capital losses	—

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	5 350	3 150
Issued number of units	400	2 450
Reinvested number of units	—	—
Redeemed number of units	(1 100)	(250)
Ending number of units	4 650	5 350

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	11 388	18 052
Fair value of collateral received	11 616	18 413

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	14	100	12	100
RBC IS (paid)	(3)	(25)	(3)	(27)
Tax withheld	—	—	—	—
ETF revenue	11	75	9	73

Investments by other related investment funds (%) (see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC 1-5 Year Laddered Canadian Bond ETF	32.3	31.2
RBC 1-5 Year Laddered Corporate Bond ETF	42.6	49.2
Total	74.9	80.4



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC TARGET 2023 CORPORATE BOND INDEX ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS						
CORPORATE						
3 373	AltaLink LP	3.668	06-Nov-2023	\$ 3 615	\$ 3 508	
1 974	Bell Canada	3.350	22-Mar-2023	2 036	1 975	
1 171	Bell Canada	4.700	11-Sep-2023	1 285	1 234	
3 668	Brookfield Asset Management Inc.	4.540	31-Mar-2023	3 952	3 799	
3 040	Enbridge Inc.	3.940	30-Jun-2023	3 192	3 110	
2 022	First Capital Realty Inc.	3.900	30-Oct-2023	2 107	2 036	
3 711	Honda Canada Finance Inc.	3.176	28-Aug-2023	3 678	3 720	
6 659	HSBC Bank Canada	2.542	31-Jan-2023	6 497	6 517	
223	HSBC Bank Canada	3.245	15-Sep-2023	222	224	
2 700	Industrial Alliance Insurance & Financial Services Inc.*, FRN	3.300	15-Sep-2028	2 762	2 707	
2 187	Laurentian Bank of Canada	3.450	27-Jun-2023	2 149	2 164	
1 584	Loblaw Companies Ltd.	4.860	12-Sep-2023	1 751	1 673	
4 050	Manulife Financial Corp.*, FRN	3.317	09-May-2028	4 058	4 032	
3 371	OMERS Realty Corp.	3.358	05-Jun-2023	3 526	3 439	
2 146	Royal Bank of Canada [†]	3.296	26-Sep-2023	2 137	2 156	
5 597	Royal Bank of Canada [†]	2.333	05-Dec-2023	5 552	5 445	
2 022	Saputo Inc.	2.827	21-Nov-2023	2 031	1 965	
5 501	Sun Life Financial Inc.*, FRN	3.050	19-Sep-2028	5 563	5 446	
3 375	TELUS Corp.	3.350	15-Mar-2023	3 478	3 380	
5 640	Toronto-Dominion Bank	1.909	18-Jul-2023	5 482	5 408	
5 072	TransCanada PipeLines Ltd.	3.690	19-Jul-2023	5 373	5 179	
3 374	VW Credit Canada Inc.	3.250	29-Mar-2023	3 373	3 337	
3 371	Wells Fargo Canada Corp.	3.460	24-Jan-2023	3 529	3 429	
TOTAL INVESTMENTS				\$ 77 348	75 883	99.2
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					598	0.8
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 76 481	100.0

* Interest rate risk (see note 5 in the generic notes).

[†] Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 75 883	\$ 92 738
Cash	190	13
Dividends receivable, interest accrued and other assets	647	880
TOTAL ASSETS	76 720	93 631
LIABILITIES		
Distributions payable	219	194
Accounts payable and accrued expenses	20	18
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	239	212
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 76 481	\$ 93 419
Investments at cost	\$ 77 348	\$ 93 693
NAV PER UNIT	\$ 18.88	\$ 19.26

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 2 840	\$ 343
Net realized gain (loss) on investments	(1 327)	(28)
Change in unrealized gain (loss) on investments	(510)	(891)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	1 003	(576)
Other income (loss)	1	—
Securities lending revenue (see note 8 in the generic notes)	5	—
TOTAL OTHER INCOME (LOSS)	6	—
TOTAL INCOME (LOSS)	1 009	(576)
EXPENSES (see notes – ETF Specific Information)		
Management fees	220	29
GST/HST	29	4
TOTAL EXPENSES	249	33
INCREASE (DECREASE) IN NAV	\$ 760	\$ (609)
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.16	\$ (1.11)



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 760	\$ (609)
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	1 327	28
Change in unrealized loss (gain) on investments	510	891
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	233	(848)
Increase (decrease) in accrued payables	2	17
Cost of investments purchased*	(27 914)	(1 087)
Proceeds from sale and maturity of investments*	27 915	1 674
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	2 833	66
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	8	80
Cash paid on redemption of redeemable units*	(85)	(5)
Distributions paid to holders of redeemable units	(2 579)	(153)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (2 656)	\$ (78)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	177	(12)
Cash (bank overdraft), beginning of period	13	25
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 190	\$ 13
Interest received (paid)	\$ 3 073	\$ (505)
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 93 419	\$ 3 912
INCREASE (DECREASE) IN NAV	760	(609)
Early redemption fees	—	—
Proceeds from redeemable units issued	8 535	93 355
Reinvestments of distributions to holders of redeemable units	—	—
Redemption of redeemable units	(23 629)	(2 909)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(15 094)	90 446
Distributions from net income	(2 601)	(184)
Distributions from net gains	—	—
Distributions from capital	(3)	(146)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 604)	(330)
NET INCREASE (DECREASE) IN NAV	(16 938)	89 507
NAV AT END OF PERIOD	\$ 76 481	\$ 93 419

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide income for a limited period of time ending on its termination date by replicating, to the extent possible, the investment results that correspond generally to the performance, before fees and expenses, of the FTSE Canada 2023 Maturity Corporate Bond Index*.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the ETF's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AA	27.7	26.4
A	47.4	48.7
BBB	24.9	24.9
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Corporate Bonds		
Financials	58.3	40.9
Energy	10.8	15.3
Industrials	9.7	13.9
Communication Services	8.6	12.1
Real Estate	7.2	10.1
Infrastructure	4.6	6.4
Provincial Bonds	–	0.6
Other Net Assets	0.8	0.7
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the ETF's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	–	–
1 – 5 years	83.9	–
5 – 10 years	16.1	100.0
> 10 years	–	–
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 4.1% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	75 883	–	75 883
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	75 883	–	75 883
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	92 738	–	92 738
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	92 738	–	92 738
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
Until December 31, 2022	0.25%
Effective January 1, 2023	0.20%



December 31, 2018

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	852
Non-capital losses	—

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	4 850	200
Issued number of units	450	4 800
Reinvested number of units	—	—
Redeemed number of units	(1 250)	(150)
Ending number of units	4 050	4 850

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	6 025	3 411
Fair value of collateral received	6 145	3 479

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	7	100	—	100
RBC IS (paid)	(2)	(25)	—	(28)
Tax withheld	—	—	—	—
ETF revenue	5	75	—	72

Investments by other related investment funds (%) (see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC 1-5 Year Laddered Canadian Bond ETF	37.8	34.5
RBC 1-5 Year Laddered Corporate Bond ETF	49.7	54.5
Total	87.5	89.0



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC TARGET 2024 CORPORATE BOND INDEX ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS						
CORPORATE						
2 507	Alimentation Couche-Tard Inc.	3.056	26-Jul-2024	\$ 2 417	\$ 2 425	
1 251	AltaLink LP	3.399	06-Jun-2024	1 276	1 285	
6 268	Bank of Montreal	2.700	11-Sep-2024	6 144	6 177	
7 159	Bank of Nova Scotia	2.290	28-Jun-2024	6 869	6 908	
3 577	Bell Canada	2.700	27-Feb-2024	3 442	3 454	
1 742	Brookfield Asset Management Inc.	5.040	08-Mar-2024	1 837	1 837	
1 251	Bruce Power LP	3.000	21-Jun-2024	1 221	1 225	
1 788	Canadian Natural Resources Ltd.	3.550	03-Jun-2024	1 773	1 774	
1 788	Enbridge Inc.	3.950	19-Nov-2024	1 829	1 824	
1 074	First Capital Realty Inc.	4.790	30-Aug-2024	1 122	1 125	
1 788	Inter Pipeline Ltd.	2.734	18-Apr-2024	1 694	1 704	
2 685	Manulife Financial Corp.*, FRN	3.049	20-Aug-2029	2 609	2 619	
1 971	OMERS Realty Corp.	2.858	23-Feb-2024	1 953	1 966	
1 126	OMERS Realty Corp.	3.328	12-Nov-2024	1 140	1 146	
2 326	Pembina Pipeline Corp.	2.990	22-Jan-2024	2 253	2 262	
1 789	Shaw Communications Inc.	4.350	31-Jan-2024	1 837	1 842	
350	TELUS Corp.	3.350	01-Apr-2024	347	348	
1 074	TMX Group Ltd.	2.997	11-Dec-2024	1 056	1 060	
7 159	Toronto-Dominion Bank	3.226	24-Jul-2024	7 226	7 262	
				48 045	48 243	66.0
PROVINCIAL						
2 862	Province of Alberta	3.100	01-Jun-2024	2 921	2 935	
3 222	Province of Manitoba	3.300	02-Jun-2024	3 324	3 340	
6 950	Province of Ontario	3.500	02-Jun-2024	7 248	7 284	
6 789	Province of Quebec	3.750	01-Sep-2024	7 187	7 225	
3 400	Province of Saskatchewan	3.200	03-Jun-2024	3 492	3 510	
				24 172	24 294	33.2
TOTAL INVESTMENTS				\$ 72 217	72 537	99.2
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					532	0.8
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 73 069	100.0

* Interest rate risk (see note 5 in the generic notes).



Statement of Financial Position

(in \$000s except per unit amounts)

	December 31 2018
(see note 2 in the generic notes)	
ASSETS	
Investments at fair value	\$ 72 537
Cash	143
Dividends receivable, interest accrued and other assets	569
TOTAL ASSETS	73 249
LIABILITIES	
Distributions payable	164
Accounts payable and accrued expenses	16
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	180
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 73 069
Investments at cost	\$ 72 217
NAV PER UNIT	\$ 20.02

Statement of Comprehensive Income

(in \$000s except per unit amounts)

For the period ended December 31 (see note 2 in the generic notes)	2018
INCOME (see note 3 in the generic notes)	
Interest for distribution purposes	\$ 194
Net realized gain (loss) on investments	15
Change in unrealized gain (loss) on investments	320
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	529
TOTAL INCOME (LOSS)	529
EXPENSES (see notes – ETF Specific Information)	
Management fees	14
GST/HST	2
TOTAL EXPENSES	16
INCREASE (DECREASE) IN NAV	\$ 513
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.58



Statement of Cash Flow *(in \$000s)*

For the period ended December 31
(see note 2 in the generic notes)

2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (decrease) in NAV \$ 513

ADJUSTMENTS TO RECONCILE NET CASH

PROVIDED BY (USED IN) OPERATIONS

Interest for distribution purposes —

Net unrealized foreign exchange (gain) loss
on cash —

Net realized loss (gain) on investments (15)

Change in unrealized loss (gain) on investments (320)

Non-cash distributions from underlying funds —

(Increase) decrease in accrued receivables (569)

Increase (decrease) in accrued payables 16

Cost of investments purchased* (1 540)

Proceeds from sale and maturity of investments* 1 985

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES 70

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of redeemable units* 87

Cash paid on redemption of redeemable units* (3)

Distributions paid to holders of redeemable units (11)

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES \$ 73

Net unrealized foreign exchange gain (loss)
on cash —

Net increase (decrease) in cash for the period 143

Cash (bank overdraft), beginning of period —

CASH (BANK OVERDRAFT), END OF PERIOD \$ 143

Interest received (paid) \$ (375)

Income received from investment trusts \$ —

Dividends received, net of withholding taxes \$ —

* Excludes in-kind transactions.



Statement of Changes in NAV *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —
INCREASE (DECREASE) IN NAV	513
Early redemption fees	—
Proceeds from redeemable units issued	74 731
Reinvestments of distributions to holders of redeemable units	15
Redemption of redeemable units	(2 000)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	72 746
Distributions from net income	(172)
Distributions from net gains	(15)
Distributions from capital	(3)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(190)
NET INCREASE (DECREASE) IN NAV	73 069
NAV AT END OF PERIOD	\$ 73 069



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide income for a limited period of time ending on its termination date by replicating, to the extent possible, the investment results that correspond generally to the performance, before fees and expenses, of the FTSE Canada 2024 Maturity Corporate Bond Index*.

The ETF was started August 16, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the ETF's credit risk exposure grouped by credit ratings as at:

	December 31 2018
Rating	
AA	61.2
A	14.0
BBB	24.8
Total	100.0

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018
Investment mix	
Corporate Bonds	
Financials	32.9
Energy	12.0
Communication Services	7.7
Industrials	5.8
Real Estate	5.8
Infrastructure	1.8
Provincial Bonds	33.2
Other Net Assets	0.8
Total	100.0

Interest rate risk (%)

The table below summarizes the ETF's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018
Term to maturity	
Less than 1 year	–
1 – 5 years	–
5 – 10 years	100.0
> 10 years	–
Total	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 5.0%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	72 537	–	72 537
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	72 537	–	72 537
% of total portfolio	–	100.0	–	100.0

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF

	Management fees
Until December 31, 2023	0.25%
Effective January 1, 2024	0.20%

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.



December 31, 2018

Redeemable units (000s)

(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the period ended December 31
(see note 2 in the generic notes)

	2018
Opening units	–
Issued number of units	3 750
Reinvested number of units	–
Redeemed number of units	(100)
Ending number of units	3 650

Securities lending revenue (\$000s except %)

(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018
Fair value of securities loaned	10 185
Fair value of collateral received	10 389

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statement of Comprehensive Income.

	December 31 2018	
	\$	%
Gross revenue	–	100
RBC IS (paid)	–	(25)
Tax withheld	–	–
ETF revenue	–	75

Investments by other related investment funds (%)

(see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018
RBC 1-5 Year Laddered Canadian Bond ETF	39.6
RBC 1-5 Year Laddered Corporate Bond ETF	52.1
Total	91.7

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC TARGET 2025 CORPORATE BOND INDEX ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS						
CORPORATE						
98	Alimentation Couche-Tard Inc.	3.600	02-Jun-2025	\$ 98	\$ 97	
42	AltaGas Ltd.	3.840	15-Jan-2025	43	41	
91	Bank of Montreal	4.609	10-Sep-2025	100	100	
45	Bell Canada	3.350	12-Mar-2025	45	44	
56	Brookfield Renewable Energy Partners ULC	3.752	02-Jun-2025	56	55	
196	Canadian Imperial Bank of Commerce	3.300	26-May-2025	198	199	
49	Canadian National Railway Co.	2.800	22-Sep-2025	48	49	
56	Enbridge Gas Distribution Inc.	3.310	11-Sep-2025	57	57	
42	First Capital Realty Inc.	4.323	31-Jul-2025	43	43	
70	Honda Canada Finance Inc.	3.444	23-May-2025	71	71	
105	Husky Energy Inc.	3.550	12-Mar-2025	106	103	
49	Hydro One Inc.	2.970	26-Jun-2025	49	49	
35	OMERS Realty Corp.	3.331	05-Jun-2025	35	36	
63	Pembina Pipeline Corp.	3.540	03-Feb-2025	63	62	
112	Royal Bank of Canada*	4.930	16-Jul-2025	125	125	
105	TransCanada PipeLines Ltd.	3.300	17-Jul-2025	105	105	
42	Westcoast Energy Inc.	3.770	08-Dec-2025	43	43	
				1 285	1 279	64.1
PROVINCIAL						
204	Province of Alberta	2.350	01-Jun-2025	200	199	
49	Province of Manitoba	2.450	02-Jun-2025	54	54	
148	Province of Manitoba	2.600	02-Jun-2025	145	146	
200	Province of Ontario	4.400	05-Sep-2025	198	199	
92	Province of Quebec	5.350	01-Jun-2025	106	106	
				703	704	35.3
TOTAL INVESTMENTS				\$ 1 988	1 983	99.4
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					12	0.6
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 1 995	100.0

* Investment in related party (see note 9 in the generic notes).



Statement of Financial Position

(in \$000s except per unit amounts)

	December 31 2018
(see note 2 in the generic notes)	
ASSETS	
Investments at fair value	\$ 1 983
Cash	5
Dividends receivable, interest accrued and other assets	15
TOTAL ASSETS	2 003
LIABILITIES	
Distributions payable	8
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	8
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 995
Investments at cost	\$ 1 988
NAV PER UNIT	\$ 19.95

Statement of Comprehensive Income

(in \$000s except per unit amounts)

For the period ended December 31 (see note 2 in the generic notes)	2018
INCOME (see note 3 in the generic notes)	
Interest for distribution purposes	\$ 21
Change in unrealized gain (loss) on investments	(5)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	16
TOTAL INCOME (LOSS)	16
EXPENSES (see notes – ETF Specific Information)	
Management fees	2
TOTAL EXPENSES	2
INCREASE (DECREASE) IN NAV	\$ 14
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.14



Statement of Cash Flow (in \$000s)

For the period ended December 31
(see note 2 in the generic notes)

2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (decrease) in NAV \$ 14

ADJUSTMENTS TO RECONCILE NET CASH

PROVIDED BY (USED IN) OPERATIONS

Interest for distribution purposes —

Net unrealized foreign exchange (gain) loss
on cash —

Net realized loss (gain) on investments —

Change in unrealized loss (gain) on investments 5

Non-cash distributions from underlying funds —

(Increase) decrease in accrued receivables (15)

Increase (decrease) in accrued payables —

Cost of investments purchased* 6

Proceeds from sale and maturity of investments* 4

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES 14

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of redeemable units* 2

Cash paid on redemption of redeemable units* —

Distributions paid to holders of redeemable units (11)

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES \$ (9)

Net unrealized foreign exchange gain (loss)
on cash —

Net increase (decrease) in cash for the period 5

Cash (bank overdraft), beginning of period —

CASH (BANK OVERDRAFT), END OF PERIOD \$ 5

Interest received (paid) \$ 6

Income received from investment trusts \$ —

Dividends received, net of withholding taxes \$ —

* Excludes in-kind transactions.



Statement of Changes in NAV *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —
INCREASE (DECREASE) IN NAV	14
Early redemption fees	—
Proceeds from redeemable units issued	2 000
Reinvestments of distributions to holders of redeemable units	—
Redemption of redeemable units	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	2 000
Distributions from net income	(19)
Distributions from net gains	—
Distributions from capital	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(19)
NET INCREASE (DECREASE) IN NAV	1 995
NAV AT END OF PERIOD	\$ 1 995



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide income for a limited period of time ending on its termination date by replicating, to the extent possible, the investment results that correspond generally to the performance, before fees and expenses, of the FTSE Canada 2025 Maturity Corporate Bond Index*.

The ETF was started August 16, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the ETF's credit risk exposure grouped by credit ratings as at:

	December 31 2018
Rating	
AA	48.6
A	26.8
BBB	24.6
Total	100.0

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018
Investment mix	
Corporate Bonds	
Financials	24.8
Energy	23.3
Industrials	7.3
Real Estate	4.0
Infrastructure	2.5
Communication Services	2.2
Provincial Bonds	35.3
Other Net Assets	0.6
Total	100.0

Interest rate risk (%)

The table below summarizes the ETF's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018
Term to maturity	
Less than 1 year	–
1 – 5 years	–
5 – 10 years	100.0
> 10 years	–
Total	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 5.7%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	1 983	–	1 983
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	1 983	–	1 983
% of total portfolio	–	100.0	–	100.0

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF

	Management fees
Until December 31, 2024	0.25%
Effective January 1, 2025	0.20%

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.



December 31, 2018

Redeemable units (000s)

(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the period ended December 31
(see note 2 in the generic notes)

	2018
Opening units	–
Issued number of units	100
Reinvested number of units	–
Redeemed number of units	–
Ending number of units	100

Securities lending revenue (\$000s except %)

(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018
Fair value of securities loaned	958
Fair value of collateral received	977

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statement of Comprehensive Income.

	December 31 2018	
	\$	%
Gross revenue	–	100
RBC IS (paid)	–	(25)
Tax withheld	–	–
ETF revenue	–	75

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC PH&N SHORT TERM CANADIAN BOND ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
SHORT-TERM INVESTMENTS						
TREASURY BILLS						
1 375	Government of Canada Treasury Bills	1.722	04-Jan-2019	\$ 1 374	\$ 1 374	
700	Government of Canada Treasury Bills	1.637	10-Jan-2019	698	698	
625	Government of Canada Treasury Bills	1.624	07-Feb-2019	623	623	
700	Government of Canada Treasury Bills	1.630	07-Mar-2019	698	698	
				3 393	3 393	5.2
TOTAL SHORT-TERM INVESTMENTS				3 393	3 393	5.2
CANADIAN BONDS						
FEDERAL						
2 685	Canada Housing Trust No. 1	1.450	15-Jun-2020	2 651	2 667	
2 710	Canada Housing Trust No. 1	1.250	15-Dec-2020	2 654	2 673	
452	Canada Housing Trust No. 1	1.500	15-Dec-2021	440	444	
93	Canada Housing Trust No. 1	1.750	15-Jun-2022	92	92	
2 635	Canada Housing Trust No. 1	2.400	15-Dec-2022	2 626	2 652	
3 181	Canada Housing Trust No. 1	2.350	15-Jun-2023	3 153	3 191	
3 100	Canada Housing Trust No. 1	2.550	15-Dec-2023	3 105	3 135	
782	Canadian Government Real Return Bond	6.842	01-Dec-2021	1 404	1 392	
955	Government of Canada	3.750	01-Jun-2019	964	963	
5	Government of Canada	1.750	01-Sep-2019	5	5	
204	Government of Canada	1.250	01-Feb-2020	202	203	
130	Government of Canada	2.000	01-Nov-2020	129	130	
6 713	Government of Canada	2.250	01-Feb-2021	6 744	6 765	
445	Government of Canada	0.750	01-Mar-2021	431	435	
863	Government of Canada	3.250	01-Jun-2021	891	891	
30	Government of Canada	0.750	01-Sep-2021	29	29	
20	Government of Canada	2.750	01-Jun-2022	20	21	
968	Government of Canada	2.000	01-Sep-2023	961	973	
50	Government of Canada	2.500	01-Jun-2024	51	52	
				26 552	26 713	40.8
PROVINCIAL						
531	Province of Manitoba	1.550	05-Sep-2021	518	522	
1 454	Province of Ontario	4.000	02-Jun-2021	1 510	1 516	
1 572	Province of Ontario	3.150	02-Jun-2022	1 607	1 614	
2 068	Province of Ontario	2.850	02-Jun-2023	2 087	2 102	
1 487	Province of Ontario	2.600	08-Sep-2023	1 479	1 495	
				7 201	7 249	11.1
MUNICIPAL						
85	City of Montreal	4.500	01-Dec-2021	90	90	
				90	90	0.1
CORPORATE						
65	407 International Inc.	4.990	16-Jun-2020	69	67	
185	407 International Inc.	2.470	08-Sep-2022	181	182	
100	Alliance Pipeline LP	4.928	16-Dec-2019	103	102	
790	AltaLink Investments LP	3.265	05-Jun-2020	796	796	
475	AltaLink Investments LP	2.244	07-Mar-2022	462	467	
100	Anheuser-Busch InBev Finance Inc. CAD	3.375	25-Jan-2023	99	100	
410	AT&T Inc. CAD	4.000	25-Nov-2025	409	409	
495	Bank of Montreal	2.100	06-Oct-2020	489	491	
2 528	Bank of Montreal	1.610	28-Oct-2021	2 433	2 450	
320	Bell Canada	3.250	17-Jun-2020	322	322	
410	Bell Canada	4.950	19-May-2021	428	428	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
160	Bell Canada	2.700	27-Feb-2024	\$ 153	\$ 154	
240	Blackbird Infrastructure 407 GP	1.713	08-Oct-2021	237	238	
484	Brookfield Asset Management Inc.	3.950	09-Apr-2019	494	486	
125	Brookfield Infrastructure Finance ULC	3.538	30-Oct-2020	126	126	
200	Brookfield Renewable Energy Partners ULC	5.140	13-Oct-2020	210	207	
75	Brookfield Renewable Energy Partners ULC	3.752	02-Jun-2025	74	74	
483	Bruce Power LP	2.844	23-Jun-2021	484	481	
250	Cameco Corp.	3.750	14-Nov-2022	246	249	
185	Canadian Imperial Bank of Commerce	1.660	20-Jan-2020	183	184	
375	Canadian Imperial Bank of Commerce	2.900	14-Sep-2021	375	376	
305	Canadian Utilities Ltd.	3.122	09-Nov-2022	307	309	
286	Choice Properties LP	3.600	20-Apr-2020	290	288	
315	Choice Properties Real Estate Investment Trust	3.498	08-Feb-2021	316	317	
138	CU Inc.	9.920	01-Apr-2022	173	168	
1 025	Enbridge Gas Distribution Inc.	4.040	23-Nov-2020	1 050	1 051	
540	Enbridge Gas Distribution Inc.	3.150	22-Aug-2024	541	543	
158	Enbridge Inc.	4.770	02-Sep-2019	165	160	
356	Enbridge Pipelines Inc.	4.490	12-Nov-2019	373	363	
135	Enbridge Pipelines Inc.	4.450	06-Apr-2020	140	138	
290	Enbridge Pipelines Inc.	3.790	17-Aug-2023	297	298	
90	Fortis Inc.	2.850	12-Dec-2023	88	89	
455	Hydro One Inc.	4.400	01-Jun-2020	469	466	
65	Hydro One Inc.	1.840	24-Feb-2021	64	64	
435	Hydro One Inc.	2.570	25-Jun-2021	431	434	
685	Hydro One Inc.	3.200	13-Jan-2022	696	692	
85	Hydro One Inc.	2.970	26-Jun-2025	85	84	
145	Inter Pipeline Corridor Inc.	4.897	03-Feb-2020	151	148	
175	Inter Pipeline Ltd.	3.448	20-Jul-2020	179	176	
430	Inter Pipeline Ltd.	4.967	02-Feb-2021	450	446	
200	Loblaw Co. Ltd.	3.918	10-Jun-2024	200	204	
35	Lower Mattagami Energy LP	4.331	18-May-2021	37	36	
340	North West Redwater Partnership	2.100	23-Feb-2022	331	331	
635	North West Redwater Partnership	3.200	22-Jul-2024	628	633	
100	OMERS Realty Corp.	3.203	24-Jul-2020	101	101	
295	Rogers Communications Inc.	5.380	04-Nov-2019	302	302	
115	Rogers Communications Inc.	4.700	29-Sep-2020	119	119	
365	Royal Bank of Canada*	2.860	04-Mar-2021	364	366	
1 250	Royal Bank of Canada*	2.030	15-Mar-2021	1 227	1 233	
77	Royal Bank of Canada*	1.583	13-Sep-2021	74	75	
422	Royal Bank of Canada*	1.968	02-Mar-2022	411	412	
100	Royal Bank of Canada*	2.360	05-Dec-2022	98	98	
75	TELUS Corp.	5.050	23-Jul-2020	79	78	
125	Toronto-Dominion Bank	1.693	02-Apr-2020	123	124	
185	Toronto-Dominion Bank	2.563	24-Jun-2020	185	185	
525	Toronto-Dominion Bank	2.045	08-Mar-2021	515	518	
755	Toronto-Dominion Bank	2.621	22-Dec-2021	747	752	
405	Toronto-Dominion Bank	1.994	23-Mar-2022	393	395	
180	Toronto-Dominion Bank	3.005	30-May-2023	180	181	
75	TransCanada PipeLines Ltd.	3.650	15-Nov-2021	77	77	
429	TransCanada PipeLines Ltd.	3.690	19-Jul-2023	440	438	
205	Union Gas Ltd.	2.760	02-Jun-2021	206	205	
500	Wells Fargo Canada Corp.	3.040	29-Jan-2021	501	502	
493	Westcoast Energy Inc.	5.600	16-Jan-2019	508	493	
335	Westcoast Energy Inc.	9.900	10-Jan-2020	362	358	
155	Westcoast Energy Inc.	3.120	05-Dec-2022	155	155	
TOTAL CANADIAN BONDS				23 001	22 994	35.1
				56 844	57 046	87.1

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
FOREIGN BONDS						
CORPORATE						
552	Anheuser-Busch InBev Finance Inc. CAD	2.600	15-May-2024	\$ 528	\$ 524	
310	Heathrow Funding Ltd. CAD	3.000	17-Jun-2021	312	310	
105	Molson Coors International LP CAD	2.750	18-Sep-2020	106	105	
190	National Grid Electricity Transmission Plc. CAD	2.900	26-Nov-2019	190	191	
160	The Walt Disney Co. CAD	2.758	07-Oct-2024	157	157	
45	United Parcel Service Inc. CAD	2.125	21-May-2024	43	43	
600	Wells Fargo & Co. CAD	2.222	15-Mar-2021	588	590	
				1 924	1 920	2.9
TOTAL FOREIGN BONDS				1 924	1 920	2.9
MORTGAGE-BACKED SECURITIES						
CORPORATE						
1 575	Canadian Mortgage Pools	1.300	01-Aug-2021	1 520	1 544	
985	Canadian Mortgage Pools	1.890	01-Sep-2022	965	972	
47	Canadian Mortgage Pools	1.840	01-Oct-2022	47	46	
225	Canadian Mortgage Pools	1.840	01-Dec-2022	221	221	
202	Canadian Mortgage Pools	2.390	01-May-2023	200	202	
				2 953	2 985	4.6
TOTAL MORTGAGE-BACKED SECURITIES				2 953	2 985	4.6
TOTAL INVESTMENTS				\$ 65 114	65 344	99.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					164	0.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 65 508	100.0

* Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 65 344	\$ 8 929
Cash	–	21
Due from investment dealers	227	21
Dividends receivable, interest accrued and other assets	294	33
TOTAL ASSETS	65 865	9 004
LIABILITIES		
Bank overdraft	69	–
Due to investment dealers	123	–
Distributions payable	145	35
Accounts payable and accrued expenses	20	2
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	357	37
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 65 508	\$ 8 967
Investments at cost	\$ 65 114	\$ 8 954
NAV PER UNIT	\$ 19.85	\$ 19.93

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 957	\$ 30
Net realized gain (loss) on investments	(197)	5
Change in unrealized gain (loss) on investments	255	(25)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	1 015	10
Securities lending revenue (see note 8 in the generic notes)	6	–
TOTAL OTHER INCOME (LOSS)	6	–
TOTAL INCOME (LOSS)	1 021	10
EXPENSES (see notes – ETF Specific Information)		
Management fees	136	5
GST/HST	16	1
TOTAL EXPENSES	152	6
INCREASE (DECREASE) IN NAV	\$ 869	\$ 4
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.44	\$ 0.01



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 869	\$ 4
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	197	(5)
Change in unrealized loss (gain) on investments	(255)	25
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	(261)	(33)
Increase (decrease) in accrued payables	18	2
Cost of investments purchased*	(178 423)	(4 640)
Proceeds from sale and maturity of investments*	143 329	4 426
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(34 526)	(221)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	56 137	249
Cash paid on redemption of redeemable units*	(21 058)	—
Distributions paid to holders of redeemable units	(643)	(7)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 34 436	\$ 242
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	(90)	21
Cash (bank overdraft), beginning of period	21	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ (69)	\$ 21
Interest received (paid)	\$ 696	\$ (3)
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 8 967	\$ —
INCREASE (DECREASE) IN NAV	869	4
Early redemption fees	—	—
Proceeds from redeemable units issued	80 123	9 005
Reinvestments of distributions to holders of redeemable units	—	—
Redemption of redeemable units	(23 698)	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	56 425	9 005
Distributions from net income	(743)	(4)
Distributions from net gains	—	—
Distributions from capital	(10)	(38)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(753)	(42)
NET INCREASE (DECREASE) IN NAV	56 541	8 967
NAV AT END OF PERIOD	\$ 65 508	\$ 8 967

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with regular monthly income and the potential for modest capital growth by investing primarily in a well-diversified portfolio of short-term fixed-income securities issued by Canadian corporations and governments.

The ETF was started September 8, 2017.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the ETF's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	50.6	61.7
AA	22.6	16.8
A	12.5	9.8
BBB	14.3	11.7
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Canadian Bonds		
Federal	40.8	49.4
Corporate	35.1	26.8
Provincial	11.1	13.4
Municipal	0.1	–
Mortgage-Backed Bonds	4.6	3.2
Foreign Corporate Bonds	2.9	3.2
Other Net Assets	5.4	4.0
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the ETF's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	9.9	3.6
1 – 5 years	85.7	90.9
5 – 10 years	4.4	5.5
> 10 years	–	–
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 2.6% (December 31, 2017 – 2.7%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	61 951	–	61 951
Short-term investments	–	3 393	–	3 393
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	65 344	–	65 344
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	8 929	–	8 929
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	8 929	–	8 929
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.35% annually, before GST/HST, of the daily NAV of the ETF.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the ETF as at:

	December 31 2018	December 31 2017
Units held		
RBC PH&N Short Term Canadian Bond ETF	–	150 000
Value of all units	–	2 989

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	127
Non-capital losses	–

**Redeemable units (000s)
(see note 6 in the generic notes)**

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Opening units	450	–
Issued number of units	4 050	450
Reinvested number of units	–	–
Redeemed number of units	(1 200)	–
Ending number of units	3 300	450

**Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	12 392	1 361
Fair value of collateral received	12 643	1 388

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	7	100	–	–
RBC IS (paid)	(1)	(25)	–	–
Tax withheld	–	–	–	–
ETF revenue	6	75	–	–



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC CANADIAN SHORT TERM BOND INDEX ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS						
FEDERAL						
353	Canada Housing Trust No. 1	3.750	15-Mar-2020	\$ 364	\$ 361	
307	Canada Housing Trust No. 1	1.200	15-Jun-2020	303	304	
307	Canada Housing Trust No. 1	1.450	15-Jun-2020	304	305	
938	Canada Housing Trust No. 1	1.250	15-Dec-2020	918	925	
400	Canada Housing Trust No. 1	3.350	15-Dec-2020	410	410	
857	Canada Housing Trust No. 1	1.250	15-Jun-2021	834	841	
561	Canada Housing Trust No. 1	3.800	15-Jun-2021	588	584	
359	Canada Housing Trust No. 1	1.150	15-Dec-2021	346	349	
375	Canada Housing Trust No. 1	1.500	15-Dec-2021	366	369	
507	Canada Housing Trust No. 1	2.650	15-Mar-2022	514	515	
807	Canada Housing Trust No. 1	1.750	15-Jun-2022	794	795	
1 295	Canada Housing Trust No. 1	2.400	15-Dec-2022	1 311	1 303	
937	Canada Housing Trust No. 1	2.350	15-Jun-2023	935	940	
180	Canada Housing Trust No. 1	2.350	15-Sep-2023	178	181	
90	Canada Housing Trust No. 1	3.150	15-Sep-2023	92	93	
400	Canada Housing Trust No. 1	2.550	15-Dec-2023	403	404	
371	Canada Housing Trust No. 1	2.550	15-Dec-2023	372	375	
100	CPPIB Capital Inc.	1.400	04-Jun-2020	99	99	
1 404	Government of Canada	1.500	01-Mar-2020	1 399	1 399	
845	Government of Canada	1.750	01-May-2020	841	844	
942	Government of Canada	3.500	01-Jun-2020	962	964	
825	Government of Canada	1.750	01-Aug-2020	820	824	
1 452	Government of Canada	0.750	01-Sep-2020	1 414	1 426	
845	Government of Canada	2.000	01-Nov-2020	842	847	
600	Government of Canada	2.250	01-Feb-2021	601	605	
1 450	Government of Canada	0.750	01-Mar-2021	1 405	1 416	
605	Government of Canada	3.250	01-Jun-2021	633	625	
1 271	Government of Canada	0.750	01-Sep-2021	1 225	1 234	
977	Government of Canada	0.500	01-Mar-2022	924	936	
955	Government of Canada	2.750	01-Jun-2022	987	983	
1 225	Government of Canada	1.000	01-Sep-2022	1 175	1 187	
945	Government of Canada	1.750	01-Mar-2023	930	940	
1 130	Government of Canada	1.500	01-Jun-2023	1 096	1 112	
100	Government of Canada	8.000	01-Jun-2023	125	126	
959	Government of Canada	2.000	01-Sep-2023	953	964	
42	International Bank for Reconstruction & Development CAD	2.500	03-Aug-2023	42	43	
31	OPB Finance Trust	1.880	24-Feb-2022	30	30	
65	PSP Capital Inc.	3.030	22-Oct-2020	67	66	
77	PSP Capital Inc.	1.340	18-Aug-2021	75	75	
115	PSP Capital Inc.	1.730	21-Jun-2022	112	113	
80	PSP Capital Inc.	2.090	22-Nov-2023	78	79	
				25 867	25 991	49.3
PROVINCIAL						
50	Financement-Québec	2.450	01-Dec-2019	51	50	
75	Province of Alberta	4.000	01-Dec-2019	78	76	
170	Province of Alberta	1.250	01-Jun-2020	167	168	
205	Province of Alberta	1.350	01-Sep-2021	199	200	
38	Province of Alberta	1.600	01-Sep-2022	37	37	
141	Province of Alberta	2.550	15-Dec-2022	142	142	
110	Province of Alberta	2.650	01-Sep-2023	110	111	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
PROVINCIAL (cont.)						
20	Province of Alberta	3.400	01-Dec-2023	\$ 21	\$ 21	
27	Province of British Columbia	4.100	18-Dec-2019	28	28	
155	Province of British Columbia	3.700	18-Dec-2020	163	160	
175	Province of British Columbia	3.250	18-Dec-2021	181	180	
152	Province of British Columbia	2.700	18-Dec-2022	154	154	
20	Province of British Columbia	8.000	08-Sep-2023	25	25	
110	Province of British Columbia	3.300	18-Dec-2023	114	114	
65	Province of Manitoba	4.750	11-Feb-2020	67	67	
78	Province of Manitoba	4.150	03-Jun-2020	82	80	
70	Province of Manitoba	1.550	05-Sep-2021	69	69	
31	Province of Manitoba	3.850	01-Dec-2021	33	32	
120	Province of Manitoba	2.550	02-Jun-2023	120	120	
95	Province of New Brunswick	4.500	02-Jun-2020	101	98	
31	Province of New Brunswick	3.350	03-Dec-2021	32	32	
87	Province of New Brunswick	1.550	04-May-2022	84	85	
60	Province of New Brunswick	2.850	02-Jun-2023	61	61	
38	Province of Newfoundland and Labrador	1.950	02-Jun-2022	37	37	
92	Province of Nova Scotia	4.100	01-Jun-2021	98	96	
833	Province of Ontario	4.200	02-Jun-2020	875	858	
675	Province of Ontario	4.000	02-Jun-2021	715	704	
396	Province of Ontario	1.350	08-Mar-2022	383	385	
918	Province of Ontario	3.150	02-Jun-2022	950	942	
115	Province of Ontario	1.950	27-Jan-2023	112	113	
905	Province of Ontario	2.850	02-Jun-2023	915	920	
394	Province of Ontario	2.600	08-Sep-2023	392	396	
45	Province of Ontario	8.100	08-Sep-2023	56	56	
455	Province of Quebec	4.500	01-Dec-2020	489	476	
593	Province of Quebec	4.250	01-Dec-2021	637	627	
31	Province of Quebec	1.650	03-Mar-2022	30	30	
548	Province of Quebec	3.500	01-Dec-2022	580	571	
61	Province of Quebec	2.450	01-Mar-2023	61	61	
525	Province of Quebec	3.000	01-Sep-2023	535	538	
23	Province of Saskatchewan	3.900	28-Jul-2020	24	24	
				9 008	8 944	17.0
MUNICIPAL						
46	City of Montreal	5.450	01-Dec-2019	49	47	
38	City of Montreal	4.500	01-Dec-2021	41	40	
30	City of Montreal	3.500	01-Sep-2023	31	31	
31	City of Toronto	4.500	02-Dec-2019	33	32	
31	City of Toronto	3.500	06-Dec-2021	32	32	
15	City of Toronto	3.900	29-Sep-2023	16	16	
38	Municipal Finance Authority of British Columbia	4.450	01-Jun-2020	40	39	
35	Municipal Finance Authority of British Columbia	1.650	19-Apr-2021	34	35	
54	Municipal Finance Authority of British Columbia	4.150	01-Jun-2021	58	56	
25	Municipal Finance Authority of British Columbia	3.350	01-Jun-2022	26	26	
25	Municipal Finance Authority of British Columbia	2.150	01-Dec-2022	25	25	
27	Municipal Finance Authority of British Columbia	2.600	23-Apr-2023	27	27	
20	Municipal Finance Authority of British Columbia	3.750	26-Sep-2023	21	21	
43	Municipal Finance Authority of British Columbia	2.800	03-Dec-2023	43	43	
30	Regional Municipality of York	5.000	29-Apr-2019	31	30	
31	Regional Municipality of York	4.000	30-Jun-2021	33	32	
				540	532	1.0
CORPORATE						
77	407 International Inc.	4.300	26-May-2021	82	80	
20	Algonquin Power Co.	4.650	15-Feb-2022	21	21	
15	Alimentation Couche-Tard Inc.	3.899	01-Nov-2022	16	15	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
54	AltaGas Ltd.	3.720	28-Sep-2021	\$ 56	\$ 54	
20	AltaGas Ltd.	3.570	12-Jun-2023	20	20	
61	AltaLink Investments LP	3.265	05-Jun-2020	62	61	
15	AltaLink LP	2.978	28-Nov-2022	16	15	
20	AltaLink LP	3.668	06-Nov-2023	20	21	
77	Bank of Montreal	2.840	04-Jun-2020	78	77	
194	Bank of Montreal	2.100	06-Oct-2020	193	192	
100	Bank of Montreal	3.400	23-Apr-2021	101	102	
237	Bank of Montreal	1.610	28-Oct-2021	229	230	
100	Bank of Montreal	2.120	16-Mar-2022	97	98	
117	Bank of Montreal	2.270	11-Jul-2022	116	115	
168	Bank of Montreal	2.890	20-Jun-2023	168	168	
50	Bank of Montreal	3.340	08-Dec-2025	51	50	
90	Bank of Montreal	3.320	01-Jun-2026	91	90	
45	Bank of Montreal	2.570	01-Jun-2027	44	44	
265	Bank of Nova Scotia	2.130	15-Jun-2020	264	263	
125	Bank of Nova Scotia	3.270	11-Jan-2021	126	126	
270	Bank of Nova Scotia	1.900	02-Dec-2021	264	263	
125	Bank of Nova Scotia	1.830	27-Apr-2022	120	121	
141	Bank of Nova Scotia	2.360	08-Nov-2022	141	138	
148	Bank of Nova Scotia	2.980	17-Apr-2023	148	148	
30	Bank of Nova Scotia	3.367	08-Dec-2025	30	30	
60	Bank of Nova Scotia	2.580	30-Mar-2027	59	59	
54	bcIMC Realty Corp.	2.150	11-Aug-2022	53	53	
77	Bell Canada	3.250	17-Jun-2020	79	78	
30	Bell Canada	4.950	19-May-2021	32	31	
38	Bell Canada	3.150	29-Sep-2021	39	38	
77	Bell Canada	2.000	01-Oct-2021	75	75	
117	Bell Canada	3.000	03-Oct-2022	118	116	
75	Bell Canada	3.350	22-Mar-2023	75	75	
45	Bell Canada	4.700	11-Sep-2023	47	47	
60	BMW Canada Inc.	1.880	11-Dec-2020	59	59	
19	BMW Canada Inc.	2.570	06-Aug-2021	19	19	
30	Brookfield Asset Management Inc.	4.540	31-Mar-2023	32	31	
61	Brookfield Infrastructure Finance ULC	3.452	11-Mar-2022	62	61	
30	Brookfield Property Finance ULC	4.346	03-Jul-2023	30	30	
54	Brookfield Renewable Energy Partners ULC	5.140	13-Oct-2020	58	56	
54	Bruce Power LP	2.844	23-Jun-2021	54	54	
77	Cadillac Fairview Finance Trust	4.310	25-Jan-2021	82	80	
198	Caisse Centrale Desjardins	1.748	02-Mar-2020	196	196	
10	Calloway Real Estate Investment Trust	3.730	22-Jul-2022	10	10	
54	Cameco Corp.	5.670	02-Sep-2019	56	55	
115	Canadian Credit Card Trust II	1.829	24-Mar-2020	114	114	
125	Canadian Imperial Bank of Commerce	1.900	26-Apr-2021	122	123	
245	Canadian Imperial Bank of Commerce	1.640	12-Jul-2021	238	238	
48	Canadian Imperial Bank of Commerce	2.900	14-Sep-2021	48	48	
40	Canadian Imperial Bank of Commerce	2.040	21-Mar-2022	39	39	
125	Canadian Imperial Bank of Commerce	2.300	11-Jul-2022	122	123	
75	Canadian Imperial Bank of Commerce	2.470	05-Dec-2022	75	74	
74	Canadian Imperial Bank of Commerce	2.970	11-Jul-2023	74	74	
50	Canadian Imperial Bank of Commerce	3.420	26-Jan-2026	51	50	
89	Canadian Imperial Bank of Commerce	3.450	04-Apr-2028	89	88	
15	Canadian National Railway Co.	2.750	18-Feb-2021	15	15	
60	Canadian Natural Resources Ltd.	2.600	03-Dec-2019	60	60	
65	Canadian Natural Resources Ltd.	2.050	01-Jun-2020	64	64	
115	Canadian Natural Resources Ltd.	2.890	14-Aug-2020	116	115	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
30	Canadian Natural Resources Ltd.	3.310	11-Feb-2022	\$ 31	\$ 30	
13	Canadian Tire Corp. Ltd.	2.646	06-Jul-2020	13	13	
13	Canadian Tire Corp. Ltd.	3.167	06-Jul-2023	13	13	
40	Canadian Western Bank	2.751	29-Jun-2020	40	40	
15	Canadian Western Bank	2.881	01-Mar-2021	15	15	
32	Canadian Western Bank	2.788	13-Sep-2021	32	32	
31	Canadian Western Bank	2.737	16-Jun-2022	31	30	
25	Canadian Western Bank	2.924	15-Dec-2022	25	25	
54	Capital Desjardins Inc.	5.187	05-May-2020	58	56	
31	Capital Desjardins Inc.	4.954	15-Dec-2026	34	33	
54	Capital Power Corp.	5.276	16-Nov-2020	57	56	
54	Cards II Trust	2.155	15-Oct-2020	54	54	
26	Caterpillar Financial Services Ltd.	2.800	08-Jun-2021	26	26	
77	CDP Financial Inc.	4.600	15-Jul-2020	82	80	
31	Central 1 Credit Union	1.870	16-Mar-2020	31	31	
25	Central 1 Credit Union	2.600	07-Nov-2022	25	24	
15	Central 1 Credit Union	3.060	14-Oct-2026	15	15	
61	Choice Properties LP	3.600	20-Apr-2020	62	61	
54	Choice Properties Real Estate Investment Trust	3.498	08-Feb-2021	55	54	
19	Choice Properties Real Estate Investment Trust	3.010	21-Mar-2022	19	19	
30	Choice Properties Real Estate Investment Trust	3.196	07-Mar-2023	29	30	
30	CI Financial Corp.	2.645	07-Dec-2020	30	30	
19	CI Financial Corp.	3.520	20-Jul-2023	19	19	
85	CIBC Capital Trust	9.976	30-Jun-2108	94	88	
5	Coast Capital Savings Credit Union	5.000	03-May-2028	5	5	
15	Cogeco Communications Inc.	5.150	16-Nov-2020	16	16	
25	Cogeco Communications Inc.	4.175	26-May-2023	25	26	
12	Crombie Real Estate Investment Trust	4.066	21-Nov-2022	12	12	
10	CT Real Estate Investment Trust	2.852	09-Jun-2022	10	10	
54	CU Inc.	4.801	22-Nov-2021	59	57	
99	Daimler Canada Finance Inc.	1.570	25-May-2020	97	97	
25	Daimler Canada Finance Inc.	2.300	23-Nov-2020	25	25	
26	Daimler Canada Finance Inc.	3.050	16-May-2022	26	26	
35	Daimler Canada Finance Inc.	2.570	22-Nov-2022	35	34	
54	Dollarama Inc.	2.337	22-Jul-2021	54	53	
50	Dollarama Inc.	3.550	06-Nov-2023	50	50	
15	Eagle Credit Card Trust	2.631	17-Oct-2022	15	15	
18	Eagle Credit Card Trust	3.042	17-Jul-2023	18	18	
20	Emera Inc.	4.830	02-Dec-2019	21	20	
25	Emera Inc.	2.900	16-Jun-2023	24	25	
54	Enbridge Gas Distribution Inc.	4.040	23-Nov-2020	57	55	
77	Enbridge Inc.	4.530	09-Mar-2020	81	79	
25	Enbridge Inc.	3.160	11-Mar-2021	25	25	
20	Enbridge Inc.	4.850	22-Feb-2022	21	21	
46	Enbridge Inc.	3.190	05-Dec-2022	47	46	
35	Enbridge Inc.	3.940	30-Jun-2023	35	36	
54	Enbridge Pipelines Inc.	4.450	06-Apr-2020	57	55	
23	Enercare Solutions Inc.	3.380	21-Feb-2022	23	23	
23	Fairfax Financial Holdings Ltd.	6.400	25-May-2021	25	25	
25	Fairfax Financial Holdings Ltd.	5.840	14-Oct-2022	28	27	
30	Fairfax Financial Holdings Ltd.	4.500	22-Mar-2023	31	31	
60	Federation des Caisses Desjardins du Quebec	2.394	25-Aug-2022	59	59	
48	Federation des Caisses Desjardins du Quebec	3.056	11-Sep-2023	48	48	
54	First Capital Realty Inc.	4.430	31-Jan-2022	57	56	
10	First Capital Realty Inc.	3.900	30-Oct-2023	10	10	
99	Ford Credit Canada Co.	2.923	16-Sep-2020	99	97	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
25	Ford Credit Canada Co.	2.580	10-May-2021	\$ 25	\$ 24	
153	Ford Credit Canada Co.	2.710	23-Feb-2022	150	145	
40	Ford Credit Canada Co.	3.349	19-Sep-2022	38	38	
52	Ford Credit Canada Co.	3.742	08-May-2023	52	50	
31	Ford Floorplan Auto Securitization Trust	2.197	15-Jul-2020	31	31	
46	Fortified Trust	2.161	23-Oct-2020	46	46	
46	Fortified Trust	1.670	23-Jul-2021	45	45	
35	Fortis Inc.	2.850	12-Dec-2023	34	35	
20	Gaz Metro Inc.	5.450	12-Jul-2021	22	21	
46	GE Capital Canada Funding Co.	4.600	26-Jan-2022	50	46	
54	General Motors Financial of Canada Ltd.	3.080	22-May-2020	54	54	
57	General Motors Financial of Canada Ltd.	3.000	26-Feb-2021	57	56	
50	Genesis Trust II	1.699	15-Apr-2020	49	49	
46	Glacier Credit Card Trust	2.237	20-Sep-2020	46	46	
38	Glacier Credit Card Trust	2.048	20-Sep-2022	37	37	
33	Glacier Credit Card Trust	3.138	20-Sep-2023	33	33	
15	Granite Real Estate Investment Trust Holdings LP	3.873	30-Nov-2023	15	15	
31	Greater Toronto Airports Authority	1.510	16-Feb-2021	30	30	
30	Greater Toronto Airports Authority	3.040	21-Sep-2022	30	30	
61	Great-West Lifeco Inc.	4.650	13-Aug-2020	65	63	
54	H&R Real Estate Investment Trust	2.923	06-May-2022	53	53	
24	H&R Real Estate Investment Trust	3.416	23-Jan-2023	24	24	
35	Hollis Receivables Term Trust II	1.788	26-Feb-2020	35	35	
92	Honda Canada Finance Inc.	2.155	18-Feb-2021	91	91	
38	Honda Canada Finance Inc.	2.488	19-Dec-2022	38	37	
25	Honda Canada Finance Inc.	2.537	01-Mar-2023	25	24	
24	Honda Canada Finance Inc.	3.176	28-Aug-2023	24	24	
150	HSBC Bank Canada	2.938	14-Jan-2020	152	151	
75	HSBC Bank Canada	2.449	29-Jan-2021	74	74	
180	HSBC Bank Canada	2.908	29-Sep-2021	182	180	
75	HSBC Bank Canada	2.170	29-Jun-2022	72	73	
55	HSBC Bank Canada	2.542	31-Jan-2023	54	54	
50	HSBC Bank Canada	3.245	15-Sep-2023	50	50	
23	Husky Energy Inc.	5.000	12-Mar-2020	24	24	
30	Hydro One Inc.	1.840	24-Feb-2021	29	29	
9	Hydro One Inc.	2.570	25-Jun-2021	9	9	
77	Hydro One Inc.	3.200	13-Jan-2022	79	78	
31	Industrial Alliance Insurance & Financial Services Inc.	2.640	23-Feb-2027	31	31	
30	Industrial Alliance Insurance & Financial Services Inc.	3.300	15-Sep-2028	30	30	
31	Intact Financial Corp.	4.700	18-Aug-2021	33	32	
77	Inter Pipeline Ltd.	3.448	20-Jul-2020	79	78	
31	Inter Pipeline Ltd.	3.776	30-May-2022	32	31	
15	Inter Pipeline Ltd.	2.608	13-Sep-2023	14	14	
55	International Bank for Reconstruction & Development CAD	2.250	17-Jan-2023	55	55	
35	Ivanhoe Cambridge II Inc.	2.909	27-Jun-2023	35	35	
26	John Deere Canada Funding Inc.	2.700	12-Oct-2021	26	26	
9	John Deere Canada Funding Inc.	2.630	21-Sep-2022	9	9	
28	John Deere Canada Funding Inc.	2.700	17-Jan-2023	28	28	
15	John Deere Canada Funding Inc.	3.020	13-Jul-2023	15	15	
35	John Deere Financial Inc.	3.070	23-Jul-2021	35	35	
20	Kraft Canada Inc.	2.700	06-Jul-2020	20	20	
38	Laurentian Bank of Canada	2.500	23-Jan-2020	38	38	
38	Laurentian Bank of Canada	3.000	12-Sep-2022	38	37	
25	Laurentian Bank of Canada	3.450	27-Jun-2023	25	25	
23	Leisureworld Senior Care LP	3.474	03-Feb-2021	24	23	
20	Loblaw Companies Ltd.	5.220	18-Jun-2020	21	21	

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December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
60	Loblaw Companies Ltd.	4.860	12-Sep-2023	\$ 63	\$ 63	
15	Lower Mattagami Energy LP	4.331	18-May-2021	16	16	
23	Magna International Inc.	3.100	15-Dec-2022	24	23	
30	Manulife Bank of Canada	2.082	26-May-2022	29	29	
32	Manulife Bank of Canada	2.844	12-Jan-2023	32	32	
130	Manulife Financial Capital Trust II	7.405	31-Dec-2108	143	135	
53	Manulife Financial Corp.	3.317	09-May-2028	53	53	
8	MCAP Commercial LP	5.000	14-Dec-2022	8	8	
31	Metro Inc.	2.680	05-Dec-2022	31	30	
8	Morguard Corp.	4.085	14-May-2021	8	8	
205	National Bank of Canada	1.742	03-Mar-2020	203	203	
69	National Bank of Canada	1.957	30-Jun-2022	67	67	
64	National Bank of Canada	3.183	01-Feb-2028	64	63	
49	Nissan Canada Financial Services Inc.	2.420	19-Oct-2020	49	48	
26	Nissan Canada Financial Services Inc.	2.606	05-Mar-2021	26	26	
22	Nissan Canada Financial Services Inc.	3.150	14-Sep-2021	22	22	
46	North West Redwater Partnership	2.100	23-Feb-2022	45	45	
84	OMERS Realty Corp.	3.203	24-Jul-2020	86	85	
54	OMERS Realty Corp.	1.823	09-May-2022	52	52	
20	OMERS Realty Corp.	3.358	05-Jun-2023	20	20	
20	OPB Finance Trust	2.900	24-May-2023	20	20	
15	Pembina Pipeline Corp.	4.890	29-Mar-2021	16	16	
31	Pembina Pipeline Corp.	3.770	24-Oct-2022	32	31	
26	Penske Truck Leasing Canada Inc.	2.850	07-Dec-2022	26	26	
54	RioCan Real Estate Investment Trust	2.194	09-Apr-2021	53	53	
23	RioCan Real Estate Investment Trust	3.746	30-May-2022	24	23	
15	RioCan Real Estate Investment Trust	2.830	03-Oct-2022	15	15	
15	RioCan Real Estate Investment Trust	3.725	18-Apr-2023	15	15	
15	RioCan Real Estate Investment Trust	3.209	29-Sep-2023	15	15	
153	Rogers Communications Inc.	5.340	22-Mar-2021	167	161	
31	Rogers Communications Inc.	4.000	06-Jun-2022	33	32	
46	Royal Bank of Canada*	1.590	23-Mar-2020	46	46	
125	Royal Bank of Canada*	1.920	17-Jul-2020	123	124	
100	Royal Bank of Canada*	2.860	04-Mar-2021	100	100	
410	Royal Bank of Canada*	2.030	15-Mar-2021	405	404	
125	Royal Bank of Canada*	1.583	13-Sep-2021	121	121	
293	Royal Bank of Canada*	1.968	02-Mar-2022	287	286	
125	Royal Bank of Canada*	2.000	21-Mar-2022	121	122	
115	Royal Bank of Canada*	2.360	05-Dec-2022	114	113	
110	Royal Bank of Canada*	2.949	01-May-2023	110	110	
75	Royal Bank of Canada*	3.296	26-Sep-2023	75	75	
85	Royal Bank of Canada*	2.333	05-Dec-2023	82	83	
50	Royal Bank of Canada*	2.480	04-Jun-2025	50	50	
115	Royal Bank of Canada*	3.310	20-Jan-2026	116	116	
45	Royal Bank of Canada*	3.450	29-Sep-2026	46	45	
54	Saputo Inc.	2.196	23-Jun-2021	53	53	
40	Scotiabank Capital Trust	7.802	30-Jun-2108	43	41	
46	Shaw Communications Inc.	5.500	07-Dec-2020	50	48	
20	Shaw Communications Inc.	3.150	19-Feb-2021	20	20	
50	Shaw Communications Inc.	3.800	02-Nov-2023	50	50	
20	SmartCentres Real Estate Investment Trust	4.050	27-Jul-2020	21	20	
10	SmartCentres Real Estate Investment Trust	2.876	21-Mar-2022	10	10	
23	SNC-Lavalin Group Inc.	2.689	24-Nov-2020	23	23	
17	SNC-Lavalin Group Inc.	3.235	02-Mar-2023	17	17	
31	Sun Life Capital Trust II	5.863	31-Dec-2108	33	32	
25	Sun Life Financial Inc.	4.570	23-Aug-2021	27	26	

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December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
92	Sun Life Financial Inc.	2.600	25-Sep-2025	\$ 92	\$ 92	
6	Sun Life Financial Inc.	2.750	23-Nov-2027	6	6	
35	Sun Life Financial Inc.	3.050	19-Sep-2028	35	35	
54	Suncor Energy Inc.	3.100	26-Nov-2021	55	54	
46	TD Capital Trust IV	6.631	30-Jun-2108	52	50	
68	TELUS Corp.	5.050	23-Jul-2020	73	70	
30	TELUS Corp.	3.600	26-Jan-2021	30	30	
31	TELUS Corp.	3.200	05-Apr-2021	32	31	
77	TELUS Corp.	2.350	28-Mar-2022	76	75	
25	TELUS Corp.	3.350	15-Mar-2023	25	25	
61	Teranet Holdings LP	4.807	16-Dec-2020	64	63	
37	The Manufacturers Life Insurance Co.	2.100	01-Jun-2025	37	37	
61	The Manufacturers Life Insurance Co.	3.181	22-Nov-2027	62	61	
40	Thomson Reuters Corp.	3.309	12-Nov-2021	40	40	
61	Toronto Hydro Corp.	4.490	12-Nov-2019	64	62	
260	Toronto-Dominion Bank	2.563	24-Jun-2020	262	260	
195	Toronto-Dominion Bank	2.045	08-Mar-2021	192	193	
168	Toronto-Dominion Bank	1.680	08-Jun-2021	164	165	
165	Toronto-Dominion Bank	2.621	22-Dec-2021	166	164	
215	Toronto-Dominion Bank	1.994	23-Mar-2022	210	210	
125	Toronto-Dominion Bank	3.005	30-May-2023	125	126	
150	Toronto-Dominion Bank	1.909	18-Jul-2023	142	144	
125	Toronto-Dominion Bank	2.692	24-Jun-2025	125	125	
50	Toronto-Dominion Bank	2.982	30-Sep-2025	50	50	
107	Toronto-Dominion Bank	3.589	14-Sep-2028	107	107	
130	Toyota Credit Canada Inc.	1.800	19-Feb-2020	129	129	
65	Toyota Credit Canada Inc.	2.020	28-Feb-2022	64	63	
12	Toyota Credit Canada Inc.	2.620	11-Oct-2022	12	12	
25	Toyota Credit Canada Inc.	2.700	25-Jan-2023	25	25	
30	Toyota Credit Canada Inc.	3.040	12-Jul-2023	30	30	
54	TransCanada PipeLines Ltd.	3.650	15-Nov-2021	57	55	
35	TransCanada PipeLines Ltd.	3.690	19-Jul-2023	36	36	
20	Union Gas Ltd.	2.760	02-Jun-2021	20	20	
15	Union Gas Ltd.	3.790	10-Jul-2023	16	16	
20	Ventas Canada Finance Ltd.	2.550	15-Mar-2023	19	19	
46	Veresen Inc.	3.430	10-Nov-2021	47	46	
31	VW Credit Canada Inc.	2.150	24-Jun-2020	31	31	
49	VW Credit Canada Inc.	2.900	29-Mar-2021	49	49	
13	VW Credit Canada Inc.	3.700	14-Nov-2022	13	13	
28	VW Credit Canada Inc.	3.250	29-Mar-2023	28	28	
65	Wells Fargo Canada Corp.	3.040	29-Jan-2021	65	64	
25	Wells Fargo Canada Corp.	3.460	24-Jan-2023	25	25	
54	Westcoast Energy Inc.	5.600	16-Jan-2019	56	54	
31	Westcoast Energy Inc.	4.570	02-Jul-2020	33	32	
20	Westcoast Energy Inc.	3.120	05-Dec-2022	20	20	
				16 274	16 145	30.7
TOTAL CANADIAN BONDS				51 689	51 612	98.0
FOREIGN BONDS						
CORPORATE						
25	Anheuser-Busch InBev Finance Inc. CAD	3.375	25-Jan-2023	26	25	
61	AT&T Inc. CAD	3.825	25-Nov-2020	63	62	
23	Bank of America Corp. CAD	3.228	22-Jun-2022	24	23	
77	Bank of America Corp. CAD	2.604	15-Mar-2023	76	75	
50	Bank of America Corp. CAD	3.301	24-Apr-2024	50	50	
40	BHP Billiton Finance Ltd. CAD	3.230	15-May-2023	40	40	
54	Citigroup Inc. CAD	3.390	18-Nov-2021	55	54	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
15	Commonwealth Bank of Australia CAD	5.150	09-Apr-2020	\$ 16	\$ 15	
46	JPMorgan Chase & Co. CAD	3.190	05-Mar-2021	47	46	
54	Molson Coors International LP CAD	2.750	18-Sep-2020	54	54	
54	Morgan Stanley CAD	3.125	05-Aug-2021	55	54	
92	The Goldman Sachs Group Inc. CAD	2.433	26-Apr-2023	90	89	
69	Wells Fargo & Co. CAD	2.222	15-Mar-2021	68	68	
69	Wells Fargo & Co. CAD	2.094	25-Apr-2022	67	67	
50	Wells Fargo & Co. CAD	2.509	27-Oct-2023	48	49	
				779	771	1.5
TOTAL FOREIGN BONDS				779	771	1.5
TOTAL INVESTMENTS				\$ 52 468	52 383	99.5
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					286	0.5
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 52 669	100.0

* Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 52 383	\$ 45 737
Cash	89	38
Due from investment dealers	85	157
Dividends receivable, interest accrued and other assets	238	188
TOTAL ASSETS	52 795	46 120
LIABILITIES		
Due to investment dealers	25	–
Distributions payable	96	198
Accounts payable and accrued expenses	5	3
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	126	201
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 52 669	\$ 45 919
Investments at cost	\$ 52 468	\$ 45 759
NAV PER UNIT	\$ 19.88	\$ 19.96

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 1 122	\$ 183
Net realized gain (loss) on investments	(134)	3
Change in unrealized gain (loss) on investments	(63)	(22)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	925	164
Securities lending revenue (see note 8 in the generic notes)	9	1
TOTAL OTHER INCOME (LOSS)	9	1
TOTAL INCOME (LOSS)	934	165
EXPENSES (see notes – ETF Specific Information)		
Management fees	45	8
GST/HST	7	1
TOTAL EXPENSES	52	9
INCREASE (DECREASE) IN NAV	\$ 882	\$ 156
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.39	\$ 0.11



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 882	\$ 156
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	134	(3)
Change in unrealized loss (gain) on investments	63	22
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	(50)	(188)
Increase (decrease) in accrued payables	2	3
Cost of investments purchased*	(30 620)	(34 532)
Proceeds from sale and maturity of investments*	23 874	4 637
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(5 715)	(29 905)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	13 842	31 038
Cash paid on redemption of redeemable units*	(6 943)	(1 005)
Distributions paid to holders of redeemable units	(1 133)	(90)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 5 766	\$ 29 943
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	51	38
Cash (bank overdraft), beginning of period	38	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 89	\$ 38
Interest received (paid)	\$ 1 072	\$ (8)
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 45 919	\$ —
INCREASE (DECREASE) IN NAV	882	156
Early redemption fees	—	—
Proceeds from redeemable units issued	13 842	47 056
Reinvestments of distributions to holders of redeemable units	—	—
Redemption of redeemable units	(6 943)	(1 005)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	6 899	46 051
Distributions from net income	(1 022)	(169)
Distributions from net gains	—	(6)
Distributions from capital	(9)	(113)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 031)	(288)
NET INCREASE (DECREASE) IN NAV	6 750	45 919
NAV AT END OF PERIOD	\$ 52 669	\$ 45 919

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to replicate, to the extent possible and before fees and expenses, the performance of a broad Canadian bond index with a short-term average maturity. Currently, the ETF seeks to track the FTSE Canada Universe + Maple Short Term Overall Bond Index (or any successor thereto).

The ETF was started August 9, 2017.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the ETF's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	53.0	53.8
AA	28.0	12.0
A	9.0	24.9
BBB	10.0	9.3
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Canadian Bonds		
Federal	49.3	49.5
Corporate	30.7	31.2
Provincial	17.0	17.2
Municipal	1.0	0.4
Foreign Corporate Bonds	1.5	1.3
Other Net Assets	0.5	0.4
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the ETF's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	0.7	0.4
1 – 5 years	95.6	97.4
5 – 10 years	2.7	2.2
> 10 years	1.0	–
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 2.7% (December 31, 2017 – 2.8%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	52 383	–	52 383
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	52 383	–	52 383
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	45 737	–	45 737
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	45 737	–	45 737
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.10% annually, before GST/HST, of the daily NAV of the ETF.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the ETF as at:

	December 31 2018	December 31 2017
Units held		
RBC Canadian Short Term Bond Index ETF	1 000 000	1 200 000
Value of all units	19 875	23 958

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	117
Non-capital losses	–

**Redeemable units (000s)
(see note 6 in the generic notes)**

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Opening units	2 300	–
Issued number of units	700	2 350
Reinvested number of units	–	–
Redeemed number of units	(350)	(50)
Ending number of units	2 650	2 300

**Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	21 341	11 947
Fair value of collateral received	21 827	12 195

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	13	100	1	100
RBC IS (paid)	(4)	(25)	–	(25)
Tax withheld	–	–	–	–
ETF revenue	9	75	1	75

Subsequent event

RBC GAM has called and will hold a special meeting of unitholders of the ETF on March 22, 2019. Subject to unitholder and regulatory approvals, the ETF will be merged into the iShares Core Canadian Short Term Bond Index ETF, an ETF managed by BlackRock Asset Management Canada Limited, effective on or about April 5, 2019. The ETF will terminate following completion of the merger.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN BOND INDEX ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS						
FEDERAL						
200	Canada Housing Trust No. 1	1.250	15-Dec-2020	\$ 196	\$ 197	
530	Canada Housing Trust No. 1	3.350	15-Dec-2020	553	544	
1 050	Canada Housing Trust No. 1	1.250	15-Jun-2021	1 021	1 030	
125	Canada Housing Trust No. 1	2.400	15-Dec-2022	127	126	
238	Canada Housing Trust No. 1	2.350	15-Jun-2023	238	239	
705	Canada Housing Trust No. 1	2.350	15-Sep-2023	709	707	
256	Canada Housing Trust No. 1	2.550	15-Dec-2023	256	258	
35	Canada Housing Trust No. 1	2.900	15-Jun-2024	36	36	
250	Canada Housing Trust No. 1	2.550	15-Mar-2025	250	253	
150	Canada Housing Trust No. 1	1.900	15-Sep-2026	142	144	
160	Canada Housing Trust No. 1	2.350	15-Jun-2027	160	159	
59	Canada Housing Trust No. 1	2.350	15-Mar-2028	59	58	
100	Canada Housing Trust No. 1	2.650	15-Mar-2028	99	101	
95	Canada Housing Trust No. 1	2.650	15-Dec-2028	94	97	
45	CPPIB Capital Inc.	3.000	15-Jun-2028	45	46	
215	Government of Canada	1.250	01-Feb-2020	212	214	
320	Government of Canada	1.500	01-Mar-2020	319	319	
150	Government of Canada	1.750	01-May-2020	150	150	
165	Government of Canada	3.500	01-Jun-2020	171	169	
435	Government of Canada	0.750	01-Sep-2020	423	427	
120	Government of Canada	2.000	01-Nov-2020	119	120	
441	Government of Canada	0.750	01-Mar-2021	427	431	
180	Government of Canada	3.250	01-Jun-2021	188	186	
229	Government of Canada	0.750	01-Sep-2021	220	222	
319	Government of Canada	0.500	01-Mar-2022	301	306	
233	Government of Canada	2.750	01-Jun-2022	243	240	
342	Government of Canada	1.000	01-Sep-2022	328	331	
306	Government of Canada	1.750	01-Mar-2023	301	304	
358	Government of Canada	1.500	01-Jun-2023	348	352	
276	Government of Canada	2.000	01-Sep-2023	274	277	
150	Government of Canada	2.250	01-Mar-2024	150	153	
254	Government of Canada	2.500	01-Jun-2024	263	262	
318	Government of Canada	2.250	01-Jun-2025	321	324	
514	Government of Canada	1.500	01-Jun-2026	490	499	
453	Government of Canada	1.000	01-Jun-2027	408	420	
75	Government of Canada	8.000	01-Jun-2027	107	110	
386	Government of Canada	2.000	01-Jun-2028	375	387	
158	Government of Canada	2.250	01-Jun-2029	157	162	
248	Government of Canada	5.750	01-Jun-2029	338	335	
60	Government of Canada	5.750	01-Jun-2033	86	87	
49	Government of Canada	5.000	01-Jun-2037	68	70	
138	Government of Canada	4.000	01-Jun-2041	177	182	
563	Government of Canada	3.500	01-Dec-2045	679	712	
564	Government of Canada	2.750	01-Dec-2048	610	634	
118	Government of Canada	2.000	01-Dec-2051	109	113	
14	Government of Canada	2.750	01-Dec-2064	16	16	
1	First Nations Finance Authority	3.050	01-Jun-2028	1	1	
7	PSP Capital Inc.	3.030	22-Oct-2020	7	7	
30	PSP Capital Inc.	1.340	18-Aug-2021	29	29	
50	PSP Capital Inc.	1.730	21-Jun-2022	48	49	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
FEDERAL (cont.)						
41	PSP Capital Inc.	3.000	05-Nov-2025	\$ 41	\$ 42	
450	TCHC Issuer Trust	4.877	11-May-2037	525	526	
				13 014	13 163	33.5
PROVINCIAL						
40	Financement-Québec	5.250	01-Jun-2034	51	50	
250	Hydro-Quebec	11.000	15-Aug-2020	313	285	
40	Hydro-Quebec	6.500	15-Feb-2035	58	57	
25	Hydro-Quebec	6.000	15-Feb-2040	36	36	
10	Hydro-Quebec	5.000	15-Feb-2045	14	13	
10	Hydro-Quebec	5.000	15-Feb-2050	14	14	
28	Hydro-Quebec	4.000	15-Feb-2055	34	33	
10	Municipal Finance Authority of British Columbia	2.150	01-Dec-2022	10	10	
11	Municipal Finance Authority of British Columbia	4.950	01-Dec-2027	13	13	
70	Province of Alberta	1.250	01-Jun-2020	69	69	
75	Province of Alberta	1.350	01-Sep-2021	73	73	
20	Province of Alberta	1.600	01-Sep-2022	19	19	
50	Province of Alberta	2.550	15-Dec-2022	51	50	
28	Province of Alberta	2.650	01-Sep-2023	28	28	
25	Province of Alberta	3.100	01-Jun-2024	26	26	
75	Province of Alberta	2.350	01-Jun-2025	73	74	
85	Province of Alberta	2.200	01-Jun-2026	81	82	
85	Province of Alberta	2.550	01-Jun-2027	83	83	
45	Province of Alberta	2.900	01-Dec-2028	44	45	
30	Province of Alberta	2.900	20-Sep-2029	30	30	
25	Province of Alberta	3.500	01-Jun-2031	26	26	
30	Province of Alberta	3.900	01-Dec-2033	33	33	
15	Province of Alberta	4.500	01-Dec-2040	18	18	
60	Province of Alberta	3.450	01-Dec-2043	61	62	
120	Province of Alberta	3.300	01-Dec-2046	118	120	
165	Province of Alberta	3.050	01-Dec-2048	158	158	
20	Province of Alberta	3.100	01-Jun-2050	20	19	
80	Province of British Columbia	3.700	18-Dec-2020	84	83	
50	Province of British Columbia	3.250	18-Dec-2021	52	52	
50	Province of British Columbia	2.700	18-Dec-2022	51	51	
50	Province of British Columbia	3.300	18-Dec-2023	53	52	
65	Province of British Columbia	2.850	18-Jun-2025	66	66	
50	Province of British Columbia	2.300	18-Jun-2026	48	49	
46	Province of British Columbia	2.550	18-Jun-2027	45	46	
38	Province of British Columbia	2.950	18-Dec-2028	38	39	
82	Province of British Columbia	5.700	18-Jun-2029	104	103	
35	Province of British Columbia	6.350	18-Jun-2031	48	48	
10	Province of British Columbia	5.400	18-Jun-2035	13	13	
45	Province of British Columbia	4.700	18-Jun-2037	55	55	
50	Province of British Columbia	4.950	18-Jun-2040	64	65	
75	Province of British Columbia	4.300	18-Jun-2042	88	90	
100	Province of British Columbia	3.200	18-Jun-2044	99	102	
121	Province of British Columbia	2.800	18-Jun-2048	113	115	
28	Province of British Columbia	2.950	18-Jun-2050	27	27	
25	Province of Manitoba	4.150	03-Jun-2020	26	26	
75	Province of Manitoba	1.550	05-Sep-2021	73	74	
20	Province of Manitoba	3.300	02-Jun-2024	21	21	
45	Province of Manitoba	2.450	02-Jun-2025	44	44	
75	Province of Manitoba	2.550	02-Jun-2026	74	74	
75	Province of Manitoba	2.600	02-Jun-2027	73	74	
22	Province of Manitoba	3.000	02-Jun-2028	22	22	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
PROVINCIAL (cont.)						
180	Province of Manitoba	4.650	05-Mar-2040	\$ 216	\$ 216	
10	Province of Manitoba	4.050	05-Sep-2045	11	11	
30	Province of Manitoba	2.850	05-Sep-2046	27	27	
47	Province of Manitoba	3.400	05-Sep-2048	48	48	
22	Province of Manitoba	3.200	05-Mar-2050	22	21	
50	Province of New Brunswick	4.500	02-Jun-2020	53	52	
50	Province of New Brunswick	2.850	02-Jun-2023	51	51	
65	Province of New Brunswick	2.600	14-Aug-2026	64	64	
25	Province of New Brunswick	2.350	14-Aug-2027	24	24	
4	Province of New Brunswick	3.100	14-Aug-2028	4	4	
15	Province of New Brunswick	4.550	26-Mar-2037	18	17	
78	Province of New Brunswick	4.800	26-Sep-2039	94	94	
10	Province of New Brunswick	3.550	03-Jun-2043	10	10	
30	Province of New Brunswick	3.800	14-Aug-2045	32	32	
36	Province of New Brunswick	3.100	14-Aug-2048	34	34	
115	Province of Newfoundland and Labrador	6.150	17-Apr-2028	146	144	
14	Province of Newfoundland and Labrador	2.850	02-Jun-2028	14	14	
10	Province of Newfoundland and Labrador	4.650	17-Oct-2040	12	12	
50	Province of Newfoundland and Labrador	3.300	17-Oct-2046	47	48	
21	Province of Newfoundland and Labrador	3.700	17-Oct-2048	23	22	
207	Province of Nova Scotia	9.600	30-Jan-2022	268	251	
20	Province of Nova Scotia	2.100	01-Jun-2027	19	19	
40	Province of Nova Scotia	4.900	01-Jun-2035	49	49	
50	Province of Nova Scotia	4.400	01-Jun-2042	59	60	
8	Province of Nova Scotia	3.450	01-Jun-2045	8	8	
300	Province of Ontario	4.200	02-Jun-2020	318	309	
225	Province of Ontario	4.000	02-Jun-2021	240	235	
120	Province of Ontario	1.350	08-Mar-2022	115	117	
330	Province of Ontario	3.150	02-Jun-2022	343	339	
335	Province of Ontario	2.850	02-Jun-2023	342	340	
129	Province of Ontario	2.600	08-Sep-2023	129	130	
285	Province of Ontario	3.500	02-Jun-2024	302	299	
22	Province of Ontario	2.650	05-Feb-2025	22	22	
475	Province of Ontario	2.600	02-Jun-2025	473	474	
193	Province of Ontario	2.400	02-Jun-2026	188	189	
257	Province of Ontario	2.600	02-Jun-2027	252	254	
25	Province of Ontario	7.600	02-Jun-2027	33	34	
211	Province of Ontario	2.900	02-Jun-2028	209	212	
110	Province of Ontario	6.500	08-Mar-2029	147	145	
30	Province of Ontario	6.200	02-Jun-2031	41	40	
80	Province of Ontario	5.850	08-Mar-2033	107	106	
65	Province of Ontario	5.600	02-Jun-2035	88	86	
41	Province of Ontario	4.700	02-Jun-2037	51	50	
85	Province of Ontario	4.600	02-Jun-2039	105	103	
185	Province of Ontario	4.650	02-Jun-2041	231	228	
230	Province of Ontario	3.500	02-Jun-2043	249	241	
275	Province of Ontario	3.450	02-Jun-2045	282	287	
340	Province of Ontario	2.900	02-Dec-2046	315	321	
305	Province of Ontario	2.800	02-Jun-2048	289	283	
255	Province of Ontario	2.900	02-Jun-2049	243	242	
30	Province of Prince Edward Island	5.700	15-Jun-2035	38	39	
100	Province of Quebec	4.500	01-Dec-2020	108	105	
25	Province of Quebec	3.500	01-Dec-2022	26	26	
10	Province of Quebec	2.450	01-Mar-2023	10	10	
692	Province of Quebec	9.500	30-Mar-2023	940	886	
45	Province of Quebec	3.000	01-Sep-2023	47	46	
80	Province of Quebec	3.750	01-Sep-2024	86	85	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
PROVINCIAL (cont.)						
6	Province of Quebec	2.600	06-Jul-2025	\$ 6	\$ 6	
145	Province of Quebec	2.750	01-Sep-2025	146	146	
145	Province of Quebec	2.500	01-Sep-2026	142	143	
160	Province of Quebec	2.750	01-Sep-2027	159	160	
122	Province of Quebec	2.750	01-Sep-2028	120	122	
35	Province of Quebec	6.000	01-Oct-2029	46	45	
90	Province of Quebec	6.250	01-Jun-2032	124	123	
85	Province of Quebec	5.750	01-Dec-2036	116	116	
91	Province of Quebec	5.000	01-Dec-2038	117	116	
240	Province of Quebec	5.000	01-Dec-2041	309	313	
170	Province of Quebec	4.250	01-Dec-2043	198	202	
293	Province of Quebec	3.500	01-Dec-2045	304	311	
300	Province of Quebec	3.500	01-Dec-2048	327	321	
25	Province of Saskatchewan	3.200	03-Jun-2024	26	26	
35	Province of Saskatchewan	2.550	02-Jun-2026	34	35	
56	Province of Saskatchewan	2.650	02-Jun-2027	55	55	
13	Province of Saskatchewan	3.050	02-Dec-2028	13	13	
25	Province of Saskatchewan	5.800	05-Sep-2033	33	33	
30	Province of Saskatchewan	4.750	01-Jun-2040	37	37	
20	Province of Saskatchewan	3.400	03-Feb-2042	21	20	
45	Province of Saskatchewan	3.900	02-Jun-2045	50	50	
60	Province of Saskatchewan	2.750	02-Dec-2046	53	54	
64	Province of Saskatchewan	3.300	02-Jun-2048	64	65	
12	Province of Saskatchewan	3.100	02-Jun-2050	12	12	
10	South Coast British Columbia Transportation Authority	3.250	23-Nov-2028	10	10	
2	South Coast British Columbia Transportation Authority	3.150	16-Nov-2048	2	2	
				13 181	13 068	33.3
MUNICIPAL						
15	City of Montreal	2.750	01-Sep-2026	14	15	
20	City of Montreal	3.000	01-Sep-2027	20	20	
11	City of Montreal	3.150	01-Sep-2028	11	11	
15	City of Montreal	4.250	01-Dec-2032	16	17	
6	City of Montreal	3.150	01-Dec-2036	6	6	
6	City of Montreal	3.500	01-Dec-2038	6	6	
2	City of Ottawa	3.250	10-Nov-2047	2	2	
15	City of Toronto	2.400	07-Jun-2027	14	14	
17	City of Toronto	3.500	02-Jun-2036	17	17	
20	City of Toronto	5.200	01-Jun-2040	25	25	
15	City of Toronto	3.250	24-Jun-2046	15	14	
7	City of Toronto	3.200	01-Aug-2048	7	7	
2	City of Vancouver	2.850	03-Nov-2027	2	2	
10	Municipal Finance Authority of British Columbia	2.600	23-Apr-2023	10	10	
18	Municipal Finance Authority of British Columbia	2.800	03-Dec-2023	18	18	
15	Municipal Finance Authority of British Columbia	2.500	19-Apr-2026	14	15	
15	Municipal Finance Authority of British Columbia	3.050	23-Oct-2028	15	15	
15	Peel Regional Municipality	5.100	29-Jun-2040	18	19	
				230	233	0.6
CORPORATE						
20	407 International Inc.	2.430	04-May-2027	19	19	
210	407 International Inc.	5.750	14-Feb-2036	264	260	
18	407 International Inc.	3.720	11-May-2048	18	18	
25	Aéroports de Montréal	5.670	16-Oct-2037	33	32	
7	AIMCo Realty Investors LP	3.367	01-Jun-2027	7	7	
7	AIMCo Realty Investors LP	3.043	01-Jun-2028	7	7	
10	Alberta Powerline LP	4.065	01-Dec-2053	10	10	
10	Alberta Powerline LP	4.065	01-Mar-2054	10	10	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
100	Alectra Inc.	2.488	17-May-2027	\$ 96	\$ 96	
20	Alimentation Couche-Tard Inc.	3.600	02-Jun-2025	20	20	
104	Alliance Pipeline LP	5.546	31-Dec-2023	110	109	
7	AltaGas Canada Inc.	4.260	05-Dec-2028	7	7	
200	AltaGas Ltd.	4.400	15-Mar-2024	211	204	
5	AltaGas Ltd.	4.990	04-Oct-2047	5	5	
200	AltaLink LP	4.462	08-Nov-2041	222	221	
250	Bank of Montreal	1.880	31-Mar-2021	246	246	
30	Bank of Montreal	1.610	28-Oct-2021	29	29	
200	Bank of Montreal	2.120	16-Mar-2022	197	196	
73	Bank of Montreal	2.890	20-Jun-2023	73	73	
72	Bank of Montreal	3.190	01-Mar-2028	72	72	
190	Bank of Nova Scotia	2.270	13-Jan-2020	190	190	
100	Bank of Nova Scotia	2.130	15-Jun-2020	100	99	
200	Bank of Nova Scotia	2.090	09-Sep-2020	199	198	
60	Bank of Nova Scotia	2.360	08-Nov-2022	60	59	
61	Bank of Nova Scotia	2.980	17-Apr-2023	61	61	
30	Bank of Nova Scotia	2.620	02-Dec-2026	28	29	
65	Bank of Nova Scotia	3.100	02-Feb-2028	65	65	
100	bcIMC Realty Corp.	2.100	03-Jun-2021	99	99	
20	Bell Canada	3.250	17-Jun-2020	20	20	
100	Bell Canada	4.950	19-May-2021	108	104	
100	Bell Canada	2.000	01-Oct-2021	98	97	
17	Bell Canada	3.000	03-Oct-2022	17	17	
30	Bell Canada	3.350	22-Mar-2023	30	30	
12	Bell Canada	3.350	12-Mar-2025	12	12	
100	Bell Canada	3.550	02-Mar-2026	101	99	
11	Bell Canada	3.600	29-Sep-2027	11	11	
19	Bell Canada	3.800	21-Aug-2028	19	19	
15	Bell Canada	4.750	29-Sep-2044	15	15	
20	BMW Canada Inc.	1.880	11-Dec-2020	20	20	
8	BMW Canada Inc.	2.570	06-Aug-2021	8	8	
3	Bridging North America GP	4.023	31-May-2038	3	3	
3	Bridging North America GP	4.341	31-Aug-2053	3	3	
20	Brookfield Infrastructure Finance ULC	4.193	11-Sep-2028	20	20	
12	Brookfield Property Finance ULC	4.346	03-Jul-2023	12	12	
100	Brookfield Renewable Energy Partners ULC	3.630	15-Jan-2027	98	96	
12	Brookfield Renewable Partners ULC	4.250	15-Jan-2029	12	12	
100	Bruce Power LP	2.844	23-Jun-2021	101	100	
3	Bruce Power LP	3.969	23-Jun-2026	3	3	
14	Bruce Power LP	4.132	21-Jun-2033	14	14	
45	Caisse Centrale Desjardins	1.748	02-Mar-2020	44	45	
150	Calloway Real Estate Investment Trust	3.730	22-Jul-2022	153	151	
40	Cameco Corp.	5.670	02-Sep-2019	42	41	
100	Canadian Credit Card Trust II	1.829	24-Mar-2020	99	99	
30	Canadian Imperial Bank of Commerce	1.850	14-Jul-2020	30	30	
50	Canadian Imperial Bank of Commerce	1.900	26-Apr-2021	49	49	
30	Canadian Imperial Bank of Commerce	1.640	12-Jul-2021	29	29	
20	Canadian Imperial Bank of Commerce	2.900	14-Sep-2021	20	20	
40	Canadian Imperial Bank of Commerce	2.040	21-Mar-2022	39	39	
50	Canadian Imperial Bank of Commerce	2.300	11-Jul-2022	49	49	
31	Canadian Imperial Bank of Commerce	2.470	05-Dec-2022	31	31	
32	Canadian Imperial Bank of Commerce	2.970	11-Jul-2023	32	32	
43	Canadian Imperial Bank of Commerce	3.300	26-May-2025	43	44	
22	Canadian Imperial Bank of Commerce	3.450	04-Apr-2028	22	22	
12	Canadian National Railway Co.	3.200	31-Jul-2028	12	12	
15	Canadian National Railway Co.	3.600	01-Aug-2047	14	15	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
6	Canadian National Railway Co.	3.600	31-Jul-2048	\$ 6	\$ 6	
20	Canadian Natural Resources Ltd.	3.420	01-Dec-2026	20	19	
6	Canadian Tire Corp. Ltd.	2.646	06-Jul-2020	6	6	
16	Canadian Tire Corp. Ltd.	3.167	06-Jul-2023	16	16	
100	Canadian Western Bank	2.751	29-Jun-2020	100	100	
12	Canadian Western Bank	2.788	13-Sep-2021	12	12	
11	Canadian Western Bank	2.924	15-Dec-2022	11	11	
150	Capital Desjardins Inc.	5.187	05-May-2020	160	155	
10	Caterpillar Financial Services Ltd.	2.800	08-Jun-2021	10	10	
10	Central 1 Credit Union	2.600	07-Nov-2022	10	10	
4	Chartwell Retirement Residences	4.211	28-Apr-2025	4	4	
200	Choice Properties LP	3.600	20-Sep-2021	205	202	
7	Choice Properties Real Estate Investment Trust	3.010	21-Mar-2022	7	7	
11	Choice Properties Real Estate Investment Trust	3.556	09-Sep-2024	11	11	
9	Choice Properties Real Estate Investment Trust	3.546	10-Jan-2025	9	9	
11	Choice Properties Real Estate Investment Trust	4.178	08-Mar-2028	11	11	
8	CI Financial Corp.	3.520	20-Jul-2023	8	8	
4	Clover LP	4.216	31-Mar-2034	4	4	
5	Clover LP	4.216	30-Jun-2034	5	5	
3	Coast Capital Savings Credit Union	5.000	03-May-2028	3	3	
11	Cordelio Amalco GP I	4.087	30-Jun-2034	11	11	
11	Cordelio Amalco GP I	4.087	30-Sep-2034	11	11	
5	Crombie Real Estate Investment Trust	4.066	21-Nov-2022	5	5	
5	Crombie Real Estate Investment Trust	4.800	31-Jan-2025	5	5	
10	CU Inc.	5.556	30-Oct-2037	13	12	
20	CU Inc.	4.543	24-Oct-2041	23	22	
15	CU Inc.	3.805	10-Sep-2042	16	15	
25	CU Inc.	4.085	02-Sep-2044	27	26	
30	CU Inc.	3.964	27-Jul-2045	32	31	
20	CU Inc.	3.548	22-Nov-2047	20	19	
12	CU Inc.	3.950	23-Nov-2048	12	12	
10	Daimler Canada Finance Inc.	2.300	23-Nov-2020	10	10	
9	Daimler Canada Finance Inc.	3.050	16-May-2022	9	9	
15	Daimler Canada Finance Inc.	2.570	22-Nov-2022	15	15	
22	Dollarama Inc.	3.550	06-Nov-2023	22	22	
7	Eagle Credit Card Trust	2.631	17-Oct-2022	7	7	
8	Eagle Credit Card Trust	3.042	17-Jul-2023	8	8	
75	Enbridge Gas Distribution Inc.	5.210	25-Feb-2036	89	88	
16	Enbridge Gas Distribution Inc.	3.510	29-Nov-2047	16	15	
30	Enbridge Inc.	3.940	30-Jun-2023	31	31	
100	Enbridge Inc.	4.570	11-Mar-2044	97	96	
31	Enbridge Inc.*, FRN	5.375	27-Sep-2077	31	29	
16	Enbridge Inc.	6.625	12-Apr-2078	16	16	
20	Enbridge Pipelines Inc.	3.000	10-Aug-2026	20	19	
4	ENMAX Corp.	3.836	05-Jun-2028	4	4	
100	EPCOR Utilities Inc.	4.550	28-Feb-2042	111	112	
14	EPCOR Utilities Inc.	3.554	27-Nov-2047	14	13	
7	EPCOR Utilities Inc.	3.949	26-Nov-2048	7	7	
14	Fair Hydro Trust	3.357	15-May-2033	14	14	
11	Fair Hydro Trust	3.520	15-May-2038	11	11	
29	Fairfax Financial Holdings Ltd.	4.250	06-Dec-2027	29	28	
21	Federation des Caisses Desjardins du Quebec	3.056	11-Sep-2023	21	21	
12	First Nations ETF LP	4.136	31-Dec-2041	12	12	
30	Ford Credit Canada Co.	2.580	10-May-2021	29	29	
25	Ford Credit Canada Co.	2.710	23-Feb-2022	24	24	
10	Ford Credit Canada Co.	3.742	08-May-2023	10	10	
20	Fortified Trust	2.161	23-Oct-2020	20	20	

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December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
2	FortisAlberta Inc.	3.734	18-Sep-2048	\$ 2	\$ 2	
200	FortisBC Energy Inc.	3.375	13-Apr-2045	186	187	
2	FortisBC Energy Inc.	3.690	30-Oct-2047	2	2	
21	General Motors Financial of Canada Ltd.	3.000	26-Feb-2021	21	21	
100	George Weston Ltd.	4.115	17-Jun-2024	104	102	
10	Glacier Credit Card Trust	2.568	20-Sep-2019	10	10	
100	Glacier Credit Card Trust	2.048	20-Sep-2022	97	97	
14	Glacier Credit Card Trust	3.138	20-Sep-2023	14	14	
400	Greater Toronto Airports Authority	3.040	21-Sep-2022	414	406	
7	Greater Toronto Airports Authority	3.260	01-Jun-2037	7	7	
16	Great-West Lifeco Inc.	3.337	28-Feb-2028	16	16	
175	Great-West Lifeco Inc.	6.740	24-Nov-2031	231	228	
9	H&R Real Estate Investment Trust	3.416	23-Jan-2023	9	9	
100	Hollis Receivables Term Trust II	1.788	26-Feb-2020	99	99	
16	Honda Canada Finance Inc.	2.488	19-Dec-2022	16	16	
20	Honda Canada Finance Inc.	2.537	01-Mar-2023	19	20	
10	Honda Canada Finance Inc.	3.176	28-Aug-2023	10	10	
7	Honda Canada Finance Inc.	3.444	23-May-2025	7	7	
5	Hospital for Sick Children	3.416	07-Dec-2057	5	5	
50	HSBC Bank Canada	2.449	29-Jan-2021	50	50	
43	HSBC Bank Canada	2.542	31-Jan-2023	43	42	
30	HSBC Bank Canada	3.245	15-Sep-2023	30	30	
100	Hydro One Inc.	1.620	30-Apr-2020	99	99	
4	Hydro One Inc.	2.570	25-Jun-2021	4	4	
6	Hydro One Inc.	2.970	26-Jun-2025	6	6	
130	Hydro One Inc.	2.770	24-Feb-2026	129	127	
215	Hydro One Inc.	5.360	20-May-2036	261	256	
8	Hydro One Inc.	3.630	25-Jun-2049	8	8	
19	IGM Financial Inc.	4.115	09-Dec-2047	19	18	
5	IGM Financial Inc.	4.174	13-Jul-2048	5	5	
100	Inter Pipeline Ltd.	4.967	02-Feb-2021	107	104	
100	Inter Pipeline Ltd.	3.173	24-Mar-2025	98	96	
21	International Bank for Reconstruction & Development CAD	2.250	17-Jan-2023	21	21	
17	International Bank for Reconstruction & Development	2.500	03-Aug-2023	17	17	
13	Ivanhoe Cambridge II Inc.	2.909	27-Jun-2023	13	13	
10	John Deere Canada Funding Inc.	2.700	12-Oct-2021	10	10	
10	John Deere Canada Funding Inc.	2.700	17-Jan-2023	10	10	
6	John Deere Canada Funding Inc.	3.020	13-Jul-2023	6	6	
13	Keyera Corp.	3.934	21-Jun-2028	13	13	
11	Laurentian Bank of Canada	3.450	27-Jun-2023	11	11	
100	Loblaw Companies Ltd.	5.220	18-Jun-2020	108	103	
13	Loblaw Companies Ltd.	3.918	10-Jun-2024	13	13	
11	Loblaw Companies Ltd.	4.488	11-Dec-2028	11	11	
300	Loblaw Companies Ltd.	6.050	09-Jun-2034	358	346	
5	Manulife Bank of Canada	2.844	12-Jan-2023	5	5	
21	Manulife Financial Corp.	3.317	09-May-2028	21	21	
4	MCAP Commercial LP	5.000	14-Dec-2022	4	4	
13	Metro Inc.	2.680	05-Dec-2022	13	13	
15	Metro Inc.	3.390	06-Dec-2027	15	14	
12	Metro Inc.	4.270	04-Dec-2047	12	11	
4	Morguard Corp.	4.085	14-May-2021	4	4	
100	National Bank of Canada	1.809	26-Jul-2021	98	98	
5	National Bank of Canada	1.957	30-Jun-2022	5	5	
25	National Bank of Canada	3.183	01-Feb-2028	25	24	
4	NAV Canada	3.293	30-Mar-2048	4	4	
20	Nissan Canada Financial Services Inc.	2.420	19-Oct-2020	20	20	
10	Nissan Canada Financial Services Inc.	2.606	05-Mar-2021	10	10	

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December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
10	Nissan Canada Financial Services Inc.	3.150	14-Sep-2021	\$ 10	\$ 10	
25	North West Redwater Partnership	4.250	01-Jun-2029	26	26	
50	North West Redwater Partnership	3.650	01-Jun-2035	50	48	
20	North West Redwater Partnership	4.050	22-Jul-2044	20	20	
2	Nouvelle Autoroute 30 Financement Inc.	3.742	31-Dec-2032	2	2	
2	Nouvelle Autoroute 30 Financement Inc.	3.750	31-Mar-2033	2	2	
4	Nouvelle Autoroute 30 Financement Inc.	4.114	31-Mar-2042	4	4	
3	Nouvelle Autoroute 30 Financement Inc.	4.115	30-Jun-2042	3	3	
100	Nova Scotia Power Inc.	5.610	15-Jun-2040	125	124	
150	OMERS Realty Corp.	3.328	12-Nov-2024	155	153	
13	OMERS Realty Corp.	3.331	05-Jun-2025	13	13	
32	OMERS Realty Corp.	3.244	04-Oct-2027	32	32	
21	OMERS Realty Corp.	3.628	05-Jun-2030	21	21	
12	Ontario Power Generation Inc.	3.315	04-Oct-2027	12	12	
11	Ontario Power Generation Inc.	3.838	22-Jun-2048	11	10	
100	Pembina Pipeline Corp.	3.770	24-Oct-2022	103	101	
21	Pembina Pipeline Corp.	4.020	27-Mar-2028	21	21	
7	Pembina Pipeline Corp.	4.750	26-Mar-2048	7	7	
6	Penske Truck Leasing Canada Inc.	2.850	07-Dec-2022	6	6	
2	Power Corp of Canada	4.455	27-Jul-2048	2	2	
7	Reliance LP	3.836	15-Mar-2025	7	7	
10	RioCan Real Estate Investment Trust	3.209	29-Sep-2023	10	10	
100	Rogers Communications Inc.	5.340	22-Mar-2021	109	105	
100	Rogers Communications Inc.	6.110	25-Aug-2040	122	118	
300	Royal Bank of Canada [†]	1.920	17-Jul-2020	297	297	
400	Royal Bank of Canada [†]	2.030	15-Mar-2021	396	394	
30	Royal Bank of Canada [†]	1.968	02-Mar-2022	29	29	
30	Royal Bank of Canada [†]	3.296	26-Sep-2023	30	30	
2	Ryerson University	3.768	11-Oct-2057	2	2	
11	Saputo Inc.	3.603	14-Aug-2025	11	11	
145	Shaw Communications Inc.	5.650	01-Oct-2019	154	148	
21	Shaw Communications Inc.	3.800	02-Nov-2023	21	21	
12	Shaw Communications Inc.	4.400	02-Nov-2028	12	12	
40	Shaw Communications Inc.	6.750	09-Nov-2039	48	48	
7	SmartCentres Real Estate Investment Trust	3.834	21-Dec-2027	7	7	
10	SNC-Lavalin Group Inc.	2.689	24-Nov-2020	10	10	
7	SNC-Lavalin Group Inc.	3.235	02-Mar-2023	7	7	
3	Sun Life Financial Inc.*, FRN	2.750	23-Nov-2027	3	3	
200	Sun Life Financial Inc.	5.400	29-May-2042	232	230	
30	Suncor Energy Inc.	3.100	26-Nov-2021	31	30	
95	Suncor Energy Inc.	5.390	26-Mar-2037	108	108	
13	Sysco Canada Inc.	3.650	25-Apr-2025	13	13	
20	TELUS Corp.	5.050	23-Jul-2020	21	21	
100	TELUS Corp.	2.350	28-Mar-2022	98	98	
200	TELUS Corp.	3.350	15-Mar-2023	204	200	
9	TELUS Corp.	3.625	01-Mar-2028	9	9	
6	TELUS Corp.	4.700	06-Mar-2048	6	6	
100	The Manufacturers Life Insurance Co.*, FRN	3.181	22-Nov-2027	102	100	
1	The University of Western Ontario	3.388	04-Dec-2057	1	1	
9	TMX Group Ltd.	2.997	11-Dec-2024	9	9	
5	TMX Group Ltd.	3.779	05-Jun-2028	5	5	
12	Toromont Industries Ltd.	3.842	27-Oct-2027	12	12	
2	Toronto Hydro Corp.	3.485	28-Feb-2048	2	2	
58	Toronto-Dominion Bank	2.447	02-Apr-2019	58	58	
35	Toronto-Dominion Bank	2.563	24-Jun-2020	35	35	
60	Toronto-Dominion Bank	2.045	08-Mar-2021	59	59	
6	Toronto-Dominion Bank	1.680	08-Jun-2021	6	6	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
100	Toronto-Dominion Bank	2.621	22-Dec-2021	\$ 100	\$ 100	
118	Toronto-Dominion Bank	1.994	23-Mar-2022	115	115	
49	Toronto-Dominion Bank	3.005	30-May-2023	49	49	
100	Toronto-Dominion Bank	1.909	18-Jul-2023	96	96	
60	Toronto-Dominion Bank	3.226	24-Jul-2024	61	61	
45	Toronto-Dominion Bank	3.589	14-Sep-2028	45	45	
100	Toyota Credit Canada Inc.	2.050	20-May-2020	99	99	
100	Toyota Credit Canada Inc.	1.750	21-Jul-2021	98	97	
6	Toyota Credit Canada Inc.	2.620	11-Oct-2022	6	6	
4	Toyota Credit Canada Inc.	2.700	25-Jan-2023	4	4	
13	Toyota Credit Canada Inc.	3.040	12-Jul-2023	13	13	
30	TransCanada PipeLines Ltd.	3.690	19-Jul-2023	31	31	
25	TransCanada PipeLines Ltd.	3.300	17-Jul-2025	26	25	
5	TransCanada PipeLines Ltd.	3.390	15-Mar-2028	5	5	
12	TransCanada PipeLines Ltd.	8.050	17-Feb-2039	18	17	
25	TransCanada PipeLines Ltd.	4.550	15-Nov-2041	27	25	
30	TransCanada PipeLines Ltd.	4.350	06-Jun-2046	32	29	
19	TransCanada PipeLines Ltd.	4.180	03-Jul-2048	19	18	
35	TransCanada Trust*, FRN	4.650	18-May-2077	35	31	
15	Union Gas Ltd.	2.810	01-Jun-2026	15	15	
17	Union Gas Ltd.	2.880	22-Nov-2027	17	16	
10	Union Gas Ltd.	4.200	02-Jun-2044	11	10	
6	Union Gas Ltd.	3.590	22-Nov-2047	6	6	
95	University of Toronto	6.780	18-Jul-2031	127	125	
5	Vancouver Airport Authority	3.656	31-Dec-2099	5	5	
18	VW Credit Canada Inc.	2.900	29-Mar-2021	18	18	
6	VW Credit Canada Inc.	3.700	14-Nov-2022	6	6	
10	VW Credit Canada Inc.	3.250	29-Mar-2023	10	10	
200	Wells Fargo Canada Corp.	3.040	29-Jan-2021	205	197	
50	Wells Fargo Canada Corp.	3.460	24-Jan-2023	52	50	
15	Westcoast Energy Inc.	3.770	08-Dec-2025	15	14	
5	Winnipeg Airport Authority Inc.	3.659	30-Sep-2047	5	5	
				12 598	12 443	31.7
TOTAL CANADIAN BONDS				39 023	38 907	99.1
FOREIGN BONDS						
CORPORATE						
30	Apple Inc. CAD	2.513	19-Aug-2024	30	29	
25	Bank of America Corp. CAD	3.301	24-Apr-2024	25	25	
25	McDonald's Corp. CAD	3.125	04-Mar-2025	25	25	
25	The Walt Disney Co. CAD	2.758	07-Oct-2024	25	25	
				105	104	0.3
TOTAL FOREIGN BONDS				105	104	0.3
TOTAL INVESTMENTS				\$ 39 128	39 011	99.4
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					238	0.6
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 39 249	100.0

* Interest rate risk (see note 5 in the generic notes).

† Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 39 011	\$ 39 640
Cash	20	9
Due from investment dealers	56	123
Dividends receivable, interest accrued and other assets	231	231
TOTAL ASSETS	39 318	40 003
LIABILITIES		
Distributions payable	65	134
Accounts payable and accrued expenses	4	4
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	69	138
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 39 249	\$ 39 865
Investments at cost	\$ 39 128	\$ 39 145
NAV PER UNIT	\$ 19.96	\$ 20.27

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 1 240	\$ 332
Net realized gain (loss) on investments	(59)	51
Change in unrealized gain (loss) on investments	(612)	495
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	569	878
Other income (loss)	2	—
Securities lending revenue (see note 8 in the generic notes)	8	1
TOTAL OTHER INCOME (LOSS)	10	1
TOTAL INCOME (LOSS)	579	879
EXPENSES (see notes – ETF Specific Information)		
Management fees	40	11
GST/HST	6	1
TOTAL EXPENSES	46	12
INCREASE (DECREASE) IN NAV	\$ 533	\$ 867
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.27	\$ 0.48



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 533	\$ 867
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	59	(51)
Change in unrealized loss (gain) on investments	612	(495)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	—	(231)
Increase (decrease) in accrued payables	—	4
Cost of investments purchased*	(16 385)	(13 286)
Proceeds from sale and maturity of investments*	16 394	13 392
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	1 213	200
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	4 972	—
Cash paid on redemption of redeemable units*	(4 952)	—
Distributions paid to holders of redeemable units	(1 222)	(191)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (1 202)	\$ (191)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	11	9
Cash (bank overdraft), beginning of period	9	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 20	\$ 9
Interest received (paid)	\$ 1 240	\$ 101
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	2018	Total 2017
NAV AT BEGINNING OF PERIOD	\$ 39 865	\$ —
INCREASE (DECREASE) IN NAV	533	867
Early redemption fees	—	—
Proceeds from redeemable units issued	4 964	39 323
Reinvestments of distributions to holders of redeemable units	—	42
Redemption of redeemable units	(4 960)	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	4	39 365
Distributions from net income	(1 148)	(313)
Distributions from net gains	—	(54)
Distributions from capital	(5)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 153)	(367)
NET INCREASE (DECREASE) IN NAV	(616)	39 865
NAV AT END OF PERIOD	\$ 39 249	\$ 39 865

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to replicate, to the extent possible and before fees and expenses, the performance of a broad Canadian bond index. Currently, the ETF seeks to track the FTSE Canada Universe + Maple Bond Index (or any successor thereto).

The ETF was started August 9, 2017.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the ETF's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	36.4	37.8
AA	39.0	18.5
A	13.3	32.4
BBB	11.3	11.3
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Canadian Bonds		
Provincial	33.5	32.6
Federal	33.3	35.8
Corporate	31.7	30.8
Municipal	0.6	–
Foreign Corporate Bonds	0.3	0.2
Other Net Assets	0.6	0.6
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the ETF's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	0.7	0.2
1 – 5 years	44.7	41.5
5 – 10 years	22.8	26.3
> 10 years	31.8	32.0
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 7.4% (December 31, 2017 – 7.5%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	39 011	–	39 011
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	39 011	–	39 011
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	39 640	–	39 640
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	39 640	–	39 640
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.10% annually, before GST/HST, of the daily NAV of the ETF.

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	26
Non-capital losses	–



December 31, 2018

Redeemable units (000s)
(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	1 966	–
Issued number of units	250	1 966
Reinvested number of units	–	2
Units consolidated*	–	(2)
Redeemed number of units	(250)	–
Ending number of units	1 966	1 966

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	13 605	10 606
Fair value of collateral received	13 918	10 838

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	10	100	1	100
RBC IS (paid)	(2)	(25)	–	(25)
Tax withheld	–	–	–	–
ETF revenue	8	75	1	75

Investments by other related investment funds (%)
(see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Canadian Bond Index Fund	79.7	89.8

Subsequent event

RBC GAM has called and will hold a special meeting of unitholders of the ETF on March 22, 2019. Subject to unitholder and regulatory approvals, the ETF will be merged into the iShares Core Canadian Universe Bond Index ETF, an ETF managed by BlackRock Asset Management Canada Limited, effective on or about April 5, 2019. The ETF will terminate following completion of the merger.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC SHORT TERM U.S. CORPORATE BOND ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE BONDS						
Australia						
250	Australia & New Zealand Banking Group Ltd. USD	2.300	01-Jun-2021	\$ 312	\$ 333	
750	Australia & New Zealand Banking Group Ltd. USD	2.625	19-May-2022	947	999	
250	Commonwealth Bank of Australia USD	2.300	12-Mar-2020	319	338	
500	Commonwealth Bank of Australia USD	2.400	02-Nov-2020	642	673	
250	National Australia Bank Ltd. USD	3.375	20-Sep-2021	324	341	
250	National Australia Bank Ltd. USD	3.625	20-Jun-2023	327	341	
250	Westpac Banking Corp. USD	2.206	11-Jan-2022	323	342	
200	Westpac Banking Corp. USD	2.907	11-Jan-2023	252	270	
700	Westpac Banking Corp. USD	3.650	15-May-2023	930	962	
				4 376	4 599	3.3
Canada						
75	Bank of Montreal USD	2.100	12-Dec-2019	95	101	
100	Bank of Montreal USD	2.100	15-Jun-2020	127	135	
150	Bank of Montreal USD	3.100	13-Jul-2020	195	205	
100	Bank of Montreal USD	2.802	13-Apr-2021	126	136	
50	Bank of Montreal USD	2.107	27-Aug-2021	63	69	
200	Bank of Montreal USD	2.701	11-Sep-2022	258	271	
300	Bank of Montreal USD	2.550	06-Nov-2022	386	398	
600	Bank of Nova Scotia USD	2.500	08-Jan-2021	767	809	
200	Bank of Nova Scotia USD	2.450	22-Mar-2021	253	269	
300	Bank of Nova Scotia USD	2.959	19-Sep-2022	396	411	
400	Canadian Imperial Bank of Commerce USD	2.700	02-Feb-2021	512	541	
350	Nutrien Ltd. USD	3.150	01-Oct-2022	447	462	
500	Nutrien Ltd. USD	3.625	15-Mar-2024	632	664	
250	Toronto-Dominion Bank USD	3.000	11-Jun-2020	327	342	
300	Toronto-Dominion Bank USD	3.090	19-Jul-2023	396	408	
650	Toronto-Dominion Bank USD	3.500	19-Jul-2023	856	894	
				5 836	6 115	4.4
Ireland						
50	Johnson Controls International plc USD	4.250	01-Mar-2021	66	70	
50	Shire Acquisitions Investments Ireland DAC USD	1.900	23-Sep-2019	62	67	
1 000	Shire Acquisitions Investments Ireland DAC USD	2.400	23-Sep-2021	1 272	1 322	
250	Shire Acquisitions Investments Ireland DAC USD	2.875	23-Sep-2023	312	324	
				1 712	1 783	1.3
Liberia						
250	Royal Caribbean Cruises Ltd. USD	2.650	28-Nov-2020	319	335	
				319	335	0.2
Luxembourg						
900	Actavis Funding SCS USD	3.450	15-Mar-2022	1 160	1 211	
				1 160	1 211	0.9
Netherlands						
250	Cooperatieve Rabobank UA USD	2.250	14-Jan-2020	322	339	
250	Cooperatieve Rabobank UA USD	2.790	26-Apr-2021	315	340	
250	Cooperatieve Rabobank UA USD	2.188	10-Jan-2023	313	336	
250	Cooperatieve Rabobank UA USD	2.750	10-Jan-2023	311	331	
250	Credit Suisse Group Funding Guernsey Ltd. USD	3.125	10-Dec-2020	319	338	
550	Credit Suisse Group Funding Guernsey Ltd. USD	3.800	15-Sep-2022	711	746	
200	ING Groep N.V. USD	3.150	29-Mar-2022	254	269	
150	LyondellBasell Industries N.V. USD	6.000	15-Nov-2021	208	217	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Netherlands (cont.)						
82	Mylan N.V. USD	2.500	07-Jun-2019	\$ 103	\$ 111	
500	NXP BV USD	4.125	15-Jun-2020	670	681	
200	NXP BV USD	4.625	15-Jun-2022	268	270	
				3 794	3 978	2.9
Sweden						
600	Svenska Handelsbanken AB USD	1.950	08-Sep-2020	770	801	
750	Svenska Handelsbanken AB USD	1.875	07-Sep-2021	939	987	
300	Svenska Handelsbanken AB USD	3.900	20-Nov-2023	397	414	
				2 106	2 202	1.6
United Kingdom						
100	GlaxoSmithKline Capital Plc. USD	3.125	14-May-2021	128	137	
400	HSBC Holdings Plc. USD	5.100	05-Apr-2021	541	565	
200	HSBC Holdings Plc. USD	3.033	22-Nov-2023	250	265	
200	HSBC Holdings Plc. USD	3.950	18-May-2024	256	272	
200	Lloyds Bank Plc. USD	2.700	17-Aug-2020	250	270	
200	Lloyds Bank Plc. USD	3.300	07-May-2021	258	272	
100	Santander UK Group Holdings Plc. USD	2.875	16-Oct-2020	127	134	
250	Vodafone Group Plc. USD	2.950	19-Feb-2023	321	329	
370	Vodafone Group Plc. USD	3.750	16-Jan-2024	476	499	
				2 607	2 743	2.0
United States						
325	21st Century Fox America Inc.	7.750	20-Jan-2024	510	522	
650	Abbott Laboratories	2.550	15-Mar-2022	819	866	
744	American Electric Power Co. Inc.	2.950	15-Dec-2022	958	997	
75	American Express Co.	2.500	01-Aug-2022	93	99	
100	American Express Co.	3.400	27-Feb-2023	128	135	
200	American Honda Finance Corp.	2.000	14-Feb-2020	255	270	
250	American Honda Finance Corp.	2.150	13-Mar-2020	324	338	
100	American Honda Finance Corp.	1.950	20-Jul-2020	126	134	
50	American Honda Finance Corp.	2.450	24-Sep-2020	63	67	
250	American Honda Finance Corp.	2.691	05-Nov-2021	330	337	
450	American Tower Corp.	2.800	01-Jun-2020	592	610	
520	American Tower Corp.	3.300	15-Feb-2021	676	707	
450	American Tower Corp.	3.000	15-Jun-2023	570	592	
100	Amgen Inc.	2.200	11-May-2020	127	135	
750	Amgen Inc.	2.650	11-May-2022	952	1 002	
200	Anadarko Petroleum Corp.	6.950	15-Jun-2019	270	277	
478	Anadarko Petroleum Corp.	4.850	15-Mar-2021	642	669	
550	Analog Devices Inc.	2.500	05-Dec-2021	687	734	
1 000	Anheuser-Busch InBev Finance Inc.	3.300	01-Feb-2023	1 300	1 329	
250	Anheuser-Busch InBev Finance Inc.	3.700	01-Feb-2024	321	335	
1 000	Anheuser-Busch InBev Worldwide Inc.	3.750	15-Jan-2022	1 313	1 368	
250	Anheuser-Busch InBev Worldwide Inc.	2.500	15-Jul-2022	316	327	
300	Anthem Inc.	2.500	21-Nov-2020	381	404	
682	Apache Corp.	3.250	15-Apr-2022	878	913	
200	AT&T Inc.	2.450	30-Jun-2020	256	270	
900	AT&T Inc.	5.000	01-Mar-2021	1 219	1 272	
351	AT&T Inc.	3.000	15-Feb-2022	447	471	
450	AT&T Inc.	3.800	15-Mar-2022	594	618	
550	AT&T Inc.	3.514	12-Jun-2024	720	729	
450	Baker Hughes a GE Co. LLC	2.773	15-Dec-2022	570	590	
257	Bank of America Corp.	2.151	09-Nov-2020	328	345	
300	Bank of America Corp.	2.625	19-Apr-2021	388	404	
1 250	Bank of America Corp.	2.328	01-Oct-2021	1 598	1 674	
1 200	Bank of America Corp.	2.503	21-Oct-2022	1 517	1 579	
500	Bank of America Corp.	3.300	11-Jan-2023	652	673	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
600	Bank of America Corp.	3.359	24-Apr-2023	\$ 793	\$ 811	
500	Bank of America Corp.	3.307	23-Jul-2024	661	671	
120	Baxalta Inc.	2.875	23-Jun-2020	155	162	
250	BB&T Corp.	2.050	10-May-2021	316	333	
850	Becton Dickinson and Co.	2.404	05-Jun-2020	1 099	1 143	
50	Becton Dickinson and Co.	2.881	29-Dec-2020	64	68	
900	Becton Dickinson and Co.	2.894	06-Jun-2022	1 140	1 191	
225	Broadcom Corp.	2.375	15-Jan-2020	288	304	
775	Broadcom Corp.	3.000	15-Jan-2022	975	1 019	
250	Broadcom Corp.	3.625	15-Jan-2024	312	323	
50	Cardinal Health Inc.	2.400	15-Nov-2019	62	68	
400	Caterpillar Financial Services Corp.	3.150	07-Sep-2021	527	548	
200	Caterpillar Financial Services Corp.	3.650	07-Dec-2023	264	277	
150	CBS Corp.	3.375	01-Mar-2022	189	203	
400	Celgene Corp.	2.875	19-Feb-2021	513	541	
150	Celgene Corp.	3.550	15-Aug-2022	194	203	
200	CenterPoint Energy Inc.	2.500	01-Sep-2022	251	261	
850	CenterPoint Energy Inc.	3.850	01-Feb-2024	1 089	1 168	
750	Charter Communications Operating LLC	3.579	23-Jul-2020	991	1 024	
250	Cisco Systems Inc.	1.850	20-Sep-2021	311	332	
500	Citigroup Inc.	2.650	26-Oct-2020	642	674	
1 200	Citigroup Inc.	2.700	30-Mar-2021	1 558	1 615	
350	Citigroup Inc.	2.571	02-Aug-2021	462	480	
100	Citigroup Inc.	3.056	27-Oct-2022	128	133	
850	Citigroup Inc.	2.876	24-Jul-2023	1 074	1 124	
850	Citigroup Inc.	4.044	01-Jun-2024	1 110	1 165	
400	Comcast Corp.	3.065	15-Apr-2024	513	534	
400	Conagra Brands Inc.	3.800	22-Oct-2021	519	547	
450	Crown Castle International Corp.	3.400	15-Feb-2021	595	615	
300	Crown Castle International Corp.	4.875	15-Apr-2022	405	422	
550	Crown Castle International Corp.	5.250	15-Jan-2023	747	781	
100	CVS Health Corp.	3.350	09-Mar-2021	129	136	
225	CVS Health Corp.	4.125	15-May-2021	294	311	
350	CVS Health Corp.	2.125	01-Jun-2021	442	462	
550	CVS Health Corp.	3.700	09-Mar-2023	715	744	
200	Delta Air Lines Inc.	2.875	13-Mar-2020	254	271	
200	Delta Air Lines Inc.	3.400	19-Apr-2021	257	271	
250	Delta Air Lines Inc.	3.625	15-Mar-2022	323	334	
650	Discovery Communications LLC	4.375	15-Jun-2021	871	904	
300	Discovery Communications LLC	3.300	15-May-2022	384	402	
325	Discovery Communications LLC	2.950	20-Mar-2023	400	425	
700	Dominion Energy Inc.	2.579	01-Jul-2020	913	941	
250	DowDuPont Inc.	3.817	15-Nov-2023	332	338	
600	DowDuPont Inc.	4.205	15-Nov-2023	794	839	
1 000	Duke Energy Corp.	1.800	01-Sep-2021	1 253	1 308	
805	Duke Energy Corp.	3.950	15-Oct-2023	1 067	1 111	
125	DXC Technology Co.	2.875	27-Mar-2020	161	169	
500	Ecolab Inc.	4.350	08-Dec-2021	686	704	
550	Enbridge Energy Partners LP	4.200	15-Sep-2021	723	762	
750	Energy Transfer Partners LP	5.200	01-Feb-2022	1 017	1 053	
400	Enterprise Products Operating LLC	2.800	15-Feb-2021	515	541	
625	Enterprise Products Operating LLC	3.500	01-Feb-2022	801	857	
700	Eversource Energy	2.500	15-Mar-2021	907	940	
1 000	Eversource Energy	3.800	01-Dec-2023	1 335	1 383	
300	Exelon Corp.	2.450	15-Apr-2021	387	401	
126	Exelon Generation Co. LLC	5.200	01-Oct-2019	167	174	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
525	Exelon Generation Co. LLC	2.950	15-Jan-2020	\$ 679	\$ 714	
465	Fiserv Inc.	3.800	01-Oct-2023	601	640	
400	General Dynamics Corp.	3.000	11-May-2021	516	547	
750	General Mills Inc.	3.200	16-Apr-2021	974	1 019	
50	General Motors Financial Co. Inc.	2.400	09-May-2019	63	68	
250	General Motors Financial Co. Inc.	3.200	13-Jul-2020	319	337	
100	General Motors Financial Co. Inc.	3.550	09-Apr-2021	128	135	
250	General Motors Financial Co. Inc.	3.200	06-Jul-2021	323	334	
250	General Motors Financial Co. Inc.	3.450	14-Jan-2022	318	331	
150	Hartford Financial Services Group Inc.	5.500	30-Mar-2020	202	210	
250	Hewlett Packard Enterprise Co.	3.600	15-Oct-2020	324	342	
350	Hewlett Packard Enterprise Co.	3.500	05-Oct-2021	460	480	
450	Hewlett Packard Enterprise Co.	4.400	15-Oct-2022	601	625	
300	IBM Credit LLC	3.450	30-Nov-2020	401	412	
300	John Deere Capital Corp.	3.900	12-Jul-2021	397	418	
550	JPMorgan Chase & Co.	4.950	25-Mar-2020	740	767	
1 000	JPMorgan Chase & Co.	2.750	23-Jun-2020	1 305	1 358	
1 200	JPMorgan Chase & Co.	2.295	15-Aug-2021	1 530	1 600	
1 000	JPMorgan Chase & Co.	2.700	18-May-2023	1 259	1 313	
150	JPMorgan Chase & Co.	2.595	24-Oct-2023	193	205	
500	JPMorgan Chase & Co.	3.367	23-Jul-2024	654	667	
400	Kinder Morgan Energy Partners LP	3.500	01-Mar-2021	523	545	
50	Kinder Morgan Energy Partners LP	5.800	01-Mar-2021	69	71	
1 000	Kinder Morgan Energy Partners LP	5.000	01-Oct-2021	1 352	1 405	
550	Kinder Morgan Energy Partners LP	4.250	01-Sep-2024	718	748	
300	Kraft Foods Group Inc.	5.375	10-Feb-2020	407	419	
150	Kraft Heinz Foods Co.	2.923	10-Feb-2021	198	203	
750	Kraft Heinz Foods Co.	3.500	06-Jun-2022	979	1 015	
350	Lam Research Corp.	2.800	15-Jun-2021	450	473	
250	Marathon Oil Corp.	2.700	01-Jun-2020	316	337	
877	Marathon Oil Corp.	2.800	01-Nov-2022	1 097	1 126	
1 005	Medtronic Inc.	3.150	15-Mar-2022	1 307	1 369	
50	Mississippi Power Co.	2.942	27-Mar-2020	65	68	
125	Molson Coors Brewing Co.	2.100	15-Jul-2021	154	165	
500	Morgan Stanley	2.650	27-Jan-2020	651	678	
600	Morgan Stanley	2.500	21-Apr-2021	772	802	
850	Morgan Stanley	2.750	19-May-2022	1 076	1 130	
175	Morgan Stanley	4.875	01-Nov-2022	238	247	
825	Morgan Stanley	3.125	23-Jan-2023	1 051	1 102	
350	Morgan Stanley	3.759	24-Oct-2023	469	476	
830	MPLX LP	3.375	15-Mar-2023	1 063	1 101	
800	NextEra Energy Capital Holdings Inc.	4.500	01-Jun-2021	1 081	1 112	
650	Noble Energy Inc.	4.150	15-Dec-2021	860	893	
150	Northrop Grumman Corp.	2.080	15-Oct-2020	189	201	
750	Northrop Grumman Corp.	2.550	15-Oct-2022	946	992	
893	ONEOK Inc.	4.250	01-Feb-2022	1 183	1 232	
100	Packaging Corp of America	2.450	15-Dec-2020	128	134	
250	PNC Bank NA	3.500	08-Jun-2023	322	342	
50	PSEG Power LLC	4.150	15-Sep-2021	66	69	
650	PSEG Power LLC	3.850	01-Jun-2023	846	889	
550	Public Service Enterprise Group Inc.	2.650	15-Nov-2022	689	727	
50	Puget Energy Inc.	5.625	15-Jul-2022	70	72	
450	QUALCOMM Inc.	3.000	20-May-2022	576	605	
300	Regions Financial Corp.	2.750	14-Aug-2022	378	396	
1 000	Rockwell Collins Inc.	2.800	15-Mar-2022	1 279	1 329	
100	Roper Technologies Inc.	3.000	15-Dec-2020	127	136	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
725	Roper Technologies Inc.	3.650	15-Sep-2023	\$ 947	\$ 992	
300	Santander UK Plc. USD	2.375	16-Mar-2020	385	405	
450	Sempra Energy	2.900	01-Feb-2023	562	598	
515	Southern Co. Gas Capital Corp.	3.500	15-Sep-2021	672	703	
250	The Dow Chemical Co.	4.125	15-Nov-2021	329	348	
350	The Goldman Sachs Group Inc.	2.550	23-Oct-2019	451	475	
500	The Goldman Sachs Group Inc.	2.600	23-Apr-2020	650	676	
960	The Goldman Sachs Group Inc.	2.350	15-Nov-2021	1 211	1 265	
375	The Goldman Sachs Group Inc.	5.750	24-Jan-2022	521	536	
850	The Goldman Sachs Group Inc.	2.905	24-Jul-2023	1 075	1 107	
250	The Goldman Sachs Group Inc.	4.306	29-Nov-2023	334	340	
500	The Hartford Financial Services Group Inc.	5.125	15-Apr-2022	687	716	
800	The Interpublic Group of Companies Inc.	3.500	01-Oct-2020	1 037	1 094	
750	The Kroger Co.	3.300	15-Jan-2021	983	1 020	
150	The Kroger Co.	2.600	01-Feb-2021	196	201	
150	The Kroger Co.	2.950	01-Nov-2021	194	201	
50	The PNC Financial Services Group Inc.	4.375	11-Aug-2020	66	70	
600	The PNC Financial Services Group Inc.	2.854	09-Nov-2022	762	803	
875	The Sherwin-Williams Co.	2.750	01-Jun-2022	1 098	1 158	
250	The Southern Co.	2.350	01-Jul-2021	316	332	
500	Thermo Fisher Scientific Inc.	4.500	01-Mar-2021	678	698	
450	Thermo Fisher Scientific Inc.	3.300	15-Feb-2022	576	612	
100	Toyota Motor Credit Corp.	2.700	11-Jan-2023	126	133	
275	Tyson Foods Inc.	2.250	23-Aug-2021	342	364	
200	Union Pacific Corp.	3.500	08-Jun-2023	260	274	
650	United States Treasury	2.875	15-Nov-2021	873	898	
550	United Technologies Corp.	3.350	16-Aug-2021	720	750	
75	UnitedHealth Group Inc.	2.700	15-Jul-2020	96	102	
150	UnitedHealth Group Inc.	3.150	15-Jun-2021	195	205	
1 300	UnitedHealth Group Inc.	3.500	15-Feb-2024	1 732	1 794	
317	US Bank NA	2.350	23-Jan-2020	414	430	
750	US Bank NA	2.850	23-Jan-2023	971	1 007	
200	Verizon Communications Inc.	3.000	01-Nov-2021	251	272	
200	Verizon Communications Inc.	5.150	15-Sep-2023	277	291	
250	Walgreens Boots Alliance Inc.	3.300	18-Nov-2021	320	340	
775	WEC Energy Group Inc.	3.375	15-Jun-2021	1 018	1 059	
50	Wells Fargo & Co.	2.150	30-Jan-2020	63	69	
375	Wells Fargo & Co.	2.625	22-Jul-2022	470	495	
850	Williams Partners LP	3.350	15-Aug-2022	1 090	1 138	
300	Xcel Energy Inc.	2.600	15-Mar-2022	390	403	
				111 014	115 818	83.2
TOTAL CORPORATE BONDS				<u>\$ 132 924</u>	<u>138 784</u>	<u>99.8</u>
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					369	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					<u>\$ 139 153</u>	<u>100.0</u>

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 138 784	\$ 9 847
Cash	130	48
Dividends receivable, interest accrued and other assets	1 153	88
TOTAL ASSETS	140 067	9 983
LIABILITIES		
Distributions payable	871	42
Accounts payable and accrued expenses	43	3
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	914	45
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 139 153	\$ 9 938
Investments at cost	\$ 132 924	\$ 9 940
NAV		
CAD UNITS	\$ 10 704	\$ 1 988
USD UNITS	\$ 128 449	\$ 7 950
NAV PER UNIT		
CAD UNITS	\$ 21.41	\$ 19.88
USD UNITS*	\$ 15.67	\$ 15.86

* Stated in U.S. dollars.

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 1 994	\$ 63
Net realized gain (loss) on investments	36	8
Change in unrealized gain (loss) on investments	5 953	(93)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	7 983	(22)
Other income (loss)	6	—
Net gain (loss) on foreign cash balances	(33)	(2)
TOTAL OTHER INCOME (LOSS)	(27)	(2)
TOTAL INCOME (LOSS)	7 956	(24)
EXPENSES (see notes – ETF Specific Information)		
Management fees	199	7
GST/HST	27	1
TOTAL EXPENSES	226	8
INCREASE (DECREASE) IN NAV	\$ 7 730	\$ (32)
INCREASE (DECREASE) IN NAV		
CAD UNITS	\$ 900	\$ (16)
USD UNITS	\$ 6 830	\$ (16)
INCREASE (DECREASE) IN NAV PER UNIT		
CAD UNITS	\$ 2.20	\$ (0.23)
USD UNITS*	\$ 2.24	\$ (0.05)

* Stated in U.S. dollars.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 7 730	\$ (32)
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	1
Net realized loss (gain) on investments	(36)	(8)
Change in unrealized loss (gain) on investments	(5 953)	93
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	(1 065)	(88)
Increase (decrease) in accrued payables	40	3
Cost of investments purchased*	(124 992)	(10 391)
Proceeds from sale and maturity of investments*	29 227	459
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(95 049)	(9 963)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	104 757	15 124
Cash paid on redemption of redeemable units*	(8 868)	(5 096)
Distributions paid to holders of redeemable units	(758)	(16)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 95 131	\$ 10 012
Net unrealized foreign exchange gain (loss) on cash	—	(1)
Net increase (decrease) in cash for the period	82	49
Cash (bank overdraft), beginning of period	48	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 130	\$ 48
Interest received (paid)	\$ 929	\$ (25)
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	CAD Units		USD Units		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 988	\$ —	\$ 7 950	\$ —	\$ 9 938	\$ —
INCREASE (DECREASE) IN NAV	900	(16)	6 830	(16)	7 730	(32)
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	9 015	2 012	125 063	13 112	134 078	15 124
Reinvestments of distributions to holders of redeemable units	—	2	—	4	—	6
Redemption of redeemable units	(1 020)	—	(9 986)	(5 096)	(11 006)	(5 096)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	7 995	2 014	115 077	8 020	123 072	10 034
Distributions from net income	(177)	(8)	(1 388)	(47)	(1 565)	(55)
Distributions from net gains	—	(2)	—	(5)	—	(7)
Distributions from capital	(2)	—	(20)	(2)	(22)	(2)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(179)	(10)	(1 408)	(54)	(1 587)	(64)
NET INCREASE (DECREASE) IN NAV	8 716	1 988	120 499	7 950	129 215	9 938
NAV AT END OF PERIOD	\$ 10 704	\$ 1 988	\$ 128 449	\$ 7 950	\$ 139 153	\$ 9 938

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with regular monthly income with the potential for modest capital growth by investing primarily in a well-diversified portfolio of short-term fixed-income securities issued in the U.S. market by U.S. and foreign corporations.

The ETF was started September 8, 2017.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the ETF's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	–	0.3
AA	10.5	8.6
A	26.3	24.9
BBB	61.8	65.5
BB	1.4	0.7
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Corporate Bonds		
United States	83.2	79.5
Canada	4.4	4.4
Australia	3.3	4.1
Netherlands	2.9	3.3
United Kingdom	2.0	2.3
Other Corporate Bonds	4.0	5.5
Other Net Assets	0.2	0.9
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the ETF's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	1.0	1.0
1 – 5 years	91.8	94.9
5 – 10 years	7.2	4.1
> 10 years	–	–
Total	100.0	100.0

Please see the generic notes at the back of the financial statements.

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 2.7% (December 31, 2017 – 2.8%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	95.6	99.6
Total	95.6	99.6

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 4.8% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	138 784	–	138 784
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	138 784	–	138 784
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	9 847	–	9 847
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	9 847	–	9 847
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF

	Management fees
CAD Units	0.35%
USD Units	0.35%

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	35
Non-capital losses	—

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CAD Units		
Opening units	100	—
Issued number of units	450	100
Reinvested number of units	—	—
Redeemed number of units	(50)	—
Ending number of units	500	100
USD Units		
Opening units	400	—
Issued number of units	6 100	650
Reinvested number of units	—	—
Redeemed number of units	(500)	(250)
Ending number of units	6 000	400

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	220	—
Fair value of collateral received	224	—

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	—	100	—	—
RBC IS (paid)	—	(25)	—	—
Tax withheld	—	—	—	—
ETF revenue	—	75	—	—

Investments by other related investment funds (%) (see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC \$U.S. Short-Term Corporate Bond Fund	67.1	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC GLOBAL GOVERNMENT BOND (CAD HEDGED) INDEX ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
GLOBAL GOVERNMENT BONDS						
Australia						
35	Australia Government AUD	1.750	21-Nov-2020	\$ 33	\$ 34	
34	Australia Government AUD	2.000	21-Dec-2021	33	33	
18	Australia Government AUD	5.750	15-Jul-2022	20	20	
9	Australia Government AUD	2.250	21-Nov-2022	9	9	
13	Australia Government AUD	5.500	21-Apr-2023	15	14	
78	Australia Government AUD	3.250	21-Apr-2025	79	80	
3	Australia Government AUD	4.750	21-Apr-2027	3	3	
10	Australia Government AUD	2.750	21-Nov-2027	10	10	
3	Australia Government AUD	2.250	21-May-2028	3	3	
62	Australia Government AUD	2.750	21-Nov-2028	60	62	
12	Australia Government AUD	3.250	21-Apr-2029	12	13	
2	Australia Government AUD	2.750	21-Nov-2029	2	2	
1	Australia Government AUD	2.500	21-May-2030	1	1	
17	Australia Government AUD	2.750	21-Jun-2035	16	17	
13	Australia Government AUD	3.750	21-Apr-2037	14	15	
10	Australia Government AUD	3.000	21-Mar-2047	9	10	
				319	326	1.7
Austria						
27	Austria Government EUR	3.500	15-Sep-2021	45	47	
3	Austria Government EUR	0.000	20-Sep-2022	5	5	
5	Austria Government EUR	0.000	15-Jul-2023	7	8	
10	Austria Government EUR	1.750	20-Oct-2023	17	17	
23	Austria Government EUR	1.650	21-Oct-2024	37	39	
7	Austria Government EUR	1.200	20-Oct-2025	11	12	
13	Austria Government EUR	0.750	20-Oct-2026	20	21	
6	Austria Government EUR	0.500	20-Apr-2027	9	9	
1	Austria Government EUR	0.750	20-Feb-2028	2	2	
21	Austria Government EUR	2.400	23-May-2034	37	40	
3	Austria Government EUR	1.500	20-Feb-2047	4	5	
2	Austria Government EUR	3.800	26-Jan-2062	5	5	
3	Austria Government EUR	1.500	02-Nov-2086	4	4	
4	Austria Government EUR	2.100	20-Sep-2117	6	7	
4	Republic of Austria Government EUR	4.150	15-Mar-2037	9	9	
				218	230	1.2
Belgium						
14	Belgium Government EUR	3.750	28-Sep-2020	23	24	
10	Belgium Government EUR	4.250	28-Sep-2021	17	18	
27	Belgium Government EUR	4.250	28-Sep-2022	49	49	
10	Belgium Government EUR	0.200	22-Oct-2023	15	16	
10	Belgium Government EUR	2.600	22-Jun-2024	18	18	
14	Belgium Government EUR	0.500	22-Oct-2024	21	22	
20	Belgium Government EUR	0.800	22-Jun-2025	30	32	
12	Belgium Government EUR	1.000	22-Jun-2026	19	19	
7	Belgium Government EUR	0.800	22-Jun-2027	10	11	
10	Belgium Government EUR	5.500	28-Mar-2028	22	22	
10	Belgium Government EUR	0.800	22-Jun-2028	15	16	
29	Belgium Government EUR	1.000	22-Jun-2031	42	45	
3	Belgium Government EUR	1.250	22-Apr-2033	5	5	
36	Belgium Government EUR	1.450	22-Jun-2037	54	56	
15	Belgium Government EUR	1.600	22-Jun-2047	21	23	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Belgium (cont.)						
5	Belgium Government EUR	2.250	22-Jun-2057	\$ 8	\$ 8	
1	Belgium Government EUR	2.150	22-Jun-2066	2	2	
				371	386	2.0
Canada						
4	Government of Canada	1.250	01-Feb-2020	4	4	
38	Government of Canada	1.750	01-May-2020	38	38	
20	Government of Canada	0.750	01-Sep-2020	19	20	
10	Government of Canada	2.000	01-Nov-2020	10	10	
18	Government of Canada	0.750	01-Mar-2021	17	18	
10	Government of Canada	0.750	01-Sep-2021	10	10	
23	Government of Canada	2.750	01-Jun-2022	24	24	
31	Government of Canada	1.000	01-Sep-2022	30	30	
6	Government of Canada	1.750	01-Mar-2023	6	6	
18	Government of Canada	2.000	01-Sep-2023	18	18	
17	Government of Canada	2.250	01-Jun-2025	17	17	
3	Government of Canada	1.500	01-Jun-2026	3	3	
15	Government of Canada	1.000	01-Jun-2027	14	14	
21	Government of Canada	2.000	01-Jun-2028	21	21	
2	Government of Canada	5.750	01-Jun-2029	3	3	
27	Government of Canada	5.000	01-Jun-2037	38	39	
4	Government of Canada	3.500	01-Dec-2045	5	5	
15	Government of Canada	2.750	01-Dec-2048	16	17	
3	Government of Canada	2.000	01-Dec-2051	3	3	
5	Government of Canada	2.750	01-Dec-2064	5	6	
				301	306	1.6
Denmark						
31	Denmark Government DKK	0.250	15-Nov-2020	7	7	
57	Denmark Government DKK	3.000	15-Nov-2021	13	13	
37	Denmark Government DKK	1.500	15-Nov-2023	8	8	
57	Denmark Government DKK	1.750	15-Nov-2025	13	13	
53	Denmark Government DKK	0.500	15-Nov-2027	11	11	
90	Denmark Government DKK	4.500	15-Nov-2039	30	33	
				82	85	0.4
Finland						
6	Finland Government EUR	3.375	15-Apr-2020	10	10	
9	Finland Government EUR	0.375	15-Sep-2020	14	14	
10	Finland Government EUR	0.000	15-Apr-2022	15	16	
9	Finland Government EUR	0.000	15-Sep-2023	13	14	
3	Finland Government EUR	4.000	04-Jul-2025	6	6	
4	Finland Government EUR	0.500	15-Apr-2026	6	6	
2	Finland Government EUR	0.500	15-Sep-2027	3	3	
5	Finland Government EUR	2.750	04-Jul-2028	9	9	
3	Finland Government EUR	0.500	15-Sep-2028	4	5	
3	Finland Government EUR	0.750	15-Apr-2031	4	5	
2	Finland Government EUR	1.125	15-Apr-2034	3	3	
3	Finland Government EUR	2.625	04-Jul-2042	6	6	
2	Finland Government EUR	1.375	15-Apr-2047	3	3	
				96	100	0.5
France						
29	France O.A.T. EUR	0.000	25-Feb-2020	44	46	
53	France O.A.T. EUR	3.500	25-Apr-2020	89	87	
5	France O.A.T. EUR	0.000	25-May-2020	8	8	
49	France O.A.T. EUR	0.250	25-Nov-2020	73	78	
2	France O.A.T. EUR	0.000	25-Feb-2021	3	3	
15	France O.A.T. EUR	0.000	25-May-2021	22	24	
10	France O.A.T. EUR	3.000	25-Apr-2022	17	17	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
France (cont.)						
80	France O.A.T. EUR	0.000	25-May-2022	\$ 118	\$ 126	
35	France O.A.T. EUR	2.250	25-Oct-2022	60	60	
53	France O.A.T. EUR	0.000	25-Mar-2023	79	83	
20	France O.A.T. EUR	8.500	25-Apr-2023	44	43	
27	France O.A.T. EUR	1.750	25-May-2023	43	46	
30	France O.A.T. EUR	1.750	25-Nov-2024	48	51	
34	France O.A.T. EUR	0.500	25-May-2025	50	54	
25	France O.A.T. EUR	6.000	25-Oct-2025	55	54	
64	France O.A.T. EUR	0.500	25-May-2026	93	101	
47	France O.A.T. EUR	1.000	25-May-2027	71	76	
36	France O.A.T. EUR	2.750	25-Oct-2027	64	67	
26	France O.A.T. EUR	0.750	25-May-2028	40	41	
25	France O.A.T. EUR	5.500	25-Apr-2029	57	58	
70	France O.A.T. EUR	1.500	25-May-2031	107	117	
9	France O.A.T. EUR	1.250	25-May-2034	14	14	
30	France O.A.T. EUR	1.250	25-May-2036	43	47	
36	France O.A.T. EUR	4.000	25-Oct-2038	80	83	
31	France O.A.T. EUR	1.750	25-Jun-2039	47	52	
30	France O.A.T. EUR	2.000	25-May-2048	47	51	
2	France O.A.T. EUR	4.000	25-Apr-2055	5	5	
9	France O.A.T. EUR	4.000	25-Apr-2060	22	23	
16	France O.A.T. EUR	1.750	25-May-2066	22	24	
13	French Republic Government Bond O.A.T. EUR	0.000	25-Mar-2024	20	20	
19	French Republic Government Bond O.A.T. EUR	0.750	25-Nov-2028	29	30	
				1 514	1 589	8.4
Germany						
32	Bundesrepublik Deutschland Bundesanleihe EUR	2.500	04-Jan-2021	54	53	
13	Bundesrepublik Deutschland Bundesanleihe EUR	1.000	15-Aug-2025	21	22	
15	Bundesrepublik Deutschland Bundesanleihe EUR	0.500	15-Feb-2028	23	24	
13	Bundesrepublik Deutschland Bundesanleihe EUR	0.250	15-Aug-2028	19	20	
1	Bundesrepublik Deutschland Bundesanleihe EUR	4.250	04-Jul-2039	2	3	
12	Bundesrepublik Deutschland Bundesanleihe EUR	1.250	15-Aug-2048	18	21	
25	Bundesrepublik Deutschland EUR	0.000	17-Apr-2020	37	39	
19	Bundesrepublik Deutschland EUR	3.000	04-Jul-2020	31	31	
10	Bundesrepublik Deutschland EUR	2.250	04-Sep-2020	16	16	
30	Bundesrepublik Deutschland EUR	0.250	16-Oct-2020	45	48	
10	Bundesrepublik Deutschland EUR	0.000	09-Apr-2021	15	16	
20	Bundesrepublik Deutschland EUR	0.000	08-Oct-2021	30	32	
25	Bundesrepublik Deutschland EUR	0.000	08-Apr-2022	37	40	
15	Bundesrepublik Deutschland EUR	1.750	04-Jul-2022	25	25	
43	Bundesrepublik Deutschland EUR	0.000	07-Oct-2022	63	68	
5	Bundesrepublik Deutschland EUR	0.000	14-Apr-2023	8	8	
47	Bundesrepublik Deutschland EUR	1.500	15-May-2023	75	80	
4	Bundesrepublik Deutschland EUR	0.000	13-Oct-2023	6	6	
21	Bundesrepublik Deutschland EUR	1.750	15-Feb-2024	35	36	
12	Bundesrepublik Deutschland EUR	1.000	15-Aug-2024	19	20	
15	Bundesrepublik Deutschland EUR	0.500	15-Feb-2025	23	24	
65	Bundesrepublik Deutschland EUR	0.250	15-Feb-2027	94	103	
20	Bundesrepublik Deutschland EUR	6.500	04-Jul-2027	48	48	
23	Bundesrepublik Deutschland EUR	0.500	15-Aug-2027	34	37	
69	Bundesrepublik Deutschland EUR	4.000	04-Jan-2037	156	170	
3	Bundesrepublik Deutschland EUR	3.250	04-Jul-2042	7	7	
28	Bundesrepublik Deutschland EUR	2.500	15-Aug-2046	54	62	
12	Bundesschatzanweisungen EUR	0.000	13-Mar-2020	18	19	
4	Bundesschatzanweisungen EUR	0.000	12-Jun-2020	6	6	
9	Bundesschatzanweisungen EUR	0.000	11-Sep-2020	14	14	
				1 033	1 098	5.8

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Ireland						
10	Ireland Government EUR	4.500	18-Apr-2020	\$ 16	\$ 17	
6	Ireland Government EUR	0.800	15-Mar-2022	9	10	
4	Ireland Government EUR	0.000	18-Oct-2022	6	6	
4	Ireland Government EUR	3.900	20-Mar-2023	7	7	
7	Ireland Government EUR	3.400	18-Mar-2024	12	13	
7	Ireland Government EUR	5.400	13-Mar-2025	14	14	
9	Ireland Government EUR	1.000	15-May-2026	13	14	
6	Ireland Government EUR	0.900	15-May-2028	9	9	
5	Ireland Government EUR	2.400	15-May-2030	9	9	
4	Ireland Government EUR	1.300	15-May-2033	6	6	
3	Ireland Government EUR	1.700	15-May-2037	5	5	
7	Ireland Government EUR	2.000	18-Feb-2045	11	12	
				117	122	0.6
Italy						
74	Buoni Poliennali Del Tesoro EUR	0.700	01-May-2020	110	116	
27	Buoni Poliennali Del Tesoro EUR	0.350	15-Jun-2020	41	42	
20	Buoni Poliennali Del Tesoro EUR	0.650	01-Nov-2020	30	31	
10	Buoni Poliennali Del Tesoro EUR	3.750	01-Mar-2021	17	17	
8	Buoni Poliennali Del Tesoro EUR	0.050	15-Apr-2021	12	12	
10	Buoni Poliennali Del Tesoro EUR	3.750	01-May-2021	16	17	
20	Buoni Poliennali Del Tesoro EUR	5.000	01-Mar-2022	36	35	
5	Buoni Poliennali Del Tesoro EUR	1.200	01-Apr-2022	7	8	
60	Buoni Poliennali Del Tesoro EUR	0.900	01-Aug-2022	88	92	
10	Buoni Poliennali Del Tesoro EUR	5.500	01-Sep-2022	19	18	
75	Buoni Poliennali Del Tesoro EUR	1.450	15-Sep-2022	112	117	
40	Buoni Poliennali Del Tesoro EUR	5.500	01-Nov-2022	76	72	
35	Buoni Poliennali Del Tesoro EUR	0.950	01-Mar-2023	52	53	
15	Buoni Poliennali Del Tesoro EUR	0.950	15-Mar-2023	22	23	
12	Buoni Poliennali Del Tesoro EUR	0.650	15-Oct-2023	17	18	
9	Buoni Poliennali Del Tesoro EUR	1.850	15-May-2024	13	14	
45	Buoni Poliennali Del Tesoro EUR	2.500	01-Dec-2024	70	72	
15	Buoni Poliennali Del Tesoro EUR	5.000	01-Mar-2025	28	27	
2	Buoni Poliennali Del Tesoro EUR	1.450	15-May-2025	3	3	
25	Buoni Poliennali Del Tesoro EUR	1.500	01-Jun-2025	39	38	
11	Buoni Poliennali Del Tesoro EUR	2.000	01-Dec-2025	16	17	
65	Buoni Poliennali Del Tesoro EUR	1.250	01-Dec-2026	89	94	
46	Buoni Poliennali Del Tesoro EUR	2.050	01-Aug-2027	67	69	
17	Buoni Poliennali Del Tesoro EUR	2.000	01-Feb-2028	25	25	
14	Buoni Poliennali Del Tesoro EUR	4.750	01-Sep-2028	26	26	
55	Buoni Poliennali Del Tesoro EUR	1.650	01-Mar-2032	72	74	
66	Buoni Poliennali Del Tesoro EUR	2.450	01-Sep-2033	94	96	
9	Buoni Poliennali Del Tesoro EUR	2.250	01-Sep-2036	12	13	
42	Buoni Poliennali Del Tesoro EUR	4.000	01-Feb-2037	76	73	
15	Buoni Poliennali Del Tesoro EUR	2.950	01-Sep-2038	22	22	
5	Buoni Poliennali Del Tesoro EUR	3.250	01-Sep-2046	8	8	
15	Buoni Poliennali Del Tesoro EUR	2.700	01-Mar-2047	20	21	
15	Buoni Poliennali Del Tesoro EUR	3.450	01-Mar-2048	23	23	
10	Buoni Poliennali Del Tesoro EUR	2.800	01-Mar-2067	12	13	
				1 370	1 399	7.4
Japan						
3 600	Japan Government Two Year JPY	0.100	15-Apr-2020	42	45	
5 500	Japan Government Five Year JPY	0.100	20-Sep-2020	61	69	
28 000	Japan Government Five Year JPY	0.100	20-Jun-2022	310	352	
3 000	Japan Government Five Year JPY	0.100	20-Dec-2022	34	38	
3 000	Japan Government Five Year JPY	0.100	20-Mar-2023	36	38	
2 000	Japan Government Five Year JPY	0.100	20-Jun-2023	24	25	

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Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Japan (cont.)						
16 800	Japan Government Ten Year JPY	1.300	20-Mar-2020	\$ 190	\$ 213	
10 000	Japan Government Ten Year JPY	1.000	20-Sep-2020	116	127	
4 100	Japan Government Ten Year JPY	0.600	20-Sep-2023	47	53	
1 500	Japan Government Ten Year JPY	0.600	20-Dec-2023	18	19	
1 100	Japan Government Ten Year JPY	0.100	20-Dec-2026	12	14	
14 000	Japan Government Ten Year JPY	0.100	20-Jun-2027	155	177	
2 500	Japan Government Ten Year JPY	0.100	20-Dec-2027	30	32	
14 900	Japan Government Ten Year JPY	0.100	20-Mar-2028	176	188	
3 650	Japan Government Twenty Year JPY	2.500	21-Dec-2020	44	48	
18 000	Japan Government Twenty Year JPY	1.900	20-Jun-2022	216	240	
10 000	Japan Government Twenty Year JPY	1.800	20-Jun-2023	122	135	
21 600	Japan Government Twenty Year JPY	2.100	20-Dec-2027	288	321	
12 000	Japan Government Twenty Year JPY	2.400	20-Mar-2028	166	183	
21 000	Japan Government Twenty Year JPY	1.700	20-Jun-2033	279	315	
24 900	Japan Government Twenty Year JPY	0.500	20-Sep-2036	273	314	
1 600	Japan Government Twenty Year JPY	0.700	20-Mar-2037	18	21	
8 400	Japan Government Twenty Year JPY	0.600	20-Dec-2037	96	107	
2 500	Japan Government Twenty Year JPY	0.500	20-Mar-2038	29	31	
13 300	Japan Government Thirty Year JPY	2.300	20-Mar-2039	195	222	
7 500	Japan Government Thirty Year JPY	1.800	20-Sep-2043	103	118	
500	Japan Government Thirty Year JPY	0.500	20-Sep-2046	6	6	
11 900	Japan Government Thirty Year JPY	0.800	20-Jun-2047	130	152	
300	Japan Government Thirty Year JPY	0.800	20-Sep-2047	3	4	
1 000	Japan Government Thirty Year JPY	0.800	20-Dec-2047	11	13	
3 100	Japan Government Thirty Year JPY	0.800	20-Mar-2048	37	39	
2 000	Japan Government Thirty Year JPY	0.700	20-Jun-2048	22	25	
2 000	Japan Government Thirty Year JPY	2.400	20-Mar-2037	30	33	
600	Japan Government Forty Year JPY	2.400	20-Mar-2048	10	11	
2 100	Japan Government Forty Year JPY	2.000	20-Mar-2052	31	36	
2 000	Japan Government Forty Year JPY	1.900	20-Mar-2053	29	33	
2 400	Japan Government Forty Year JPY	1.700	20-Mar-2054	34	38	
1 500	Japan Government Forty Year JPY	0.400	20-Mar-2056	14	16	
				3 437	3 851	20.2
Malaysia						
13	Malaysia Government MYR	3.492	31-Mar-2020	4	4	
26	Malaysia Government MYR	3.659	15-Oct-2020	8	9	
45	Malaysia Government MYR	3.882	10-Mar-2022	14	15	
19	Malaysia Government MYR	4.059	30-Sep-2024	6	6	
78	Malaysia Government MYR	3.899	16-Nov-2027	24	25	
14	Malaysia Government MYR	4.762	07-Apr-2037	4	5	
5	Malaysia Government MYR	4.893	08-Jun-2038	2	2	
15	Malaysia Government MYR	4.736	15-Mar-2046	4	5	
				66	71	0.4
Mexico						
190	Mexican Bonos MXN	8.000	11-Jun-2020	13	13	
200	Mexican Bonos MXN	6.500	10-Jun-2021	14	13	
83	Mexican Bonos MXN	7.250	09-Dec-2021	5	6	
215	Mexican Bonos MXN	6.500	09-Jun-2022	15	14	
65	Mexican Bonos MXN	8.000	07-Dec-2023	5	4	
178	Mexican Bonos MXN	10.000	05-Dec-2024	14	13	
120	Mexican Bonos MXN	5.750	05-Mar-2026	7	7	
150	Mexican Bonos MXN	7.500	03-Jun-2027	11	10	
100	Mexican Bonos MXN	8.500	31-May-2029	7	7	
130	Mexican Bonos MXN	7.750	29-May-2031	10	8	
85	Mexican Bonos MXN	8.500	18-Nov-2038	7	6	

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Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Mexico (cont.)						
215	Mexican Bonos MXN	7.750	13-Nov-2042	\$ 15	\$ 13	
50	Mexican Bonos MXN	8.000	07-Nov-2047	4	3	
				127	117	0.6
Netherlands						
9	Netherlands Government EUR	0.250	15-Jan-2020	14	14	
10	Netherlands Government EUR	3.500	15-Jul-2020	16	17	
18	Netherlands Government EUR	3.250	15-Jul-2021	31	31	
4	Netherlands Government EUR	0.000	15-Jan-2022	6	6	
6	Netherlands Government EUR	2.250	15-Jul-2022	10	10	
38	Netherlands Government EUR	1.750	15-Jul-2023	61	65	
8	Netherlands Government EUR	0.000	15-Jan-2024	12	13	
9	Netherlands Government EUR	2.000	15-Jul-2024	15	16	
10	Netherlands Government EUR	0.500	15-Jul-2026	15	16	
11	Netherlands Government EUR	0.750	15-Jul-2027	16	18	
7	Netherlands Government EUR	5.500	15-Jan-2028	16	16	
7	Netherlands Government EUR	0.750	15-Jul-2028	11	11	
11	Netherlands Government EUR	2.500	15-Jan-2033	20	21	
11	Netherlands Government EUR	4.000	15-Jan-2037	24	27	
11	Netherlands Government EUR	3.750	15-Jan-2042	26	28	
9	Netherlands Government EUR	2.750	15-Jan-2047	18	20	
				311	329	1.7
Norway						
59	Norwegian Government NOK	3.750	25-May-2021	10	10	
45	Norwegian Government NOK	2.000	24-May-2023	7	7	
31	Norwegian Government NOK	3.000	14-Mar-2024	5	5	
24	Norwegian Government NOK	1.750	13-Mar-2025	4	4	
25	Norwegian Government NOK	1.500	19-Feb-2026	4	4	
25	Norwegian Government NOK	1.750	17-Feb-2027	4	4	
16	Norwegian Government NOK	2.000	26-Apr-2028	3	3	
				37	37	0.2
Poland						
12	Government of Poland PLN	1.500	25-Apr-2020	4	4	
15	Government of Poland PLN	0.000	25-Jul-2020	5	5	
18	Government of Poland PLN	5.250	25-Oct-2020	7	7	
26	Government of Poland PLN	1.750	25-Jul-2021	9	9	
50	Government of Poland PLN	2.250	25-Apr-2022	16	18	
5	Government of Poland PLN	5.750	23-Sep-2022	2	2	
45	Government of Poland USD	2.500	25-Jan-2023	16	17	
20	Government of Poland PLN	3.250	25-Jul-2025	7	8	
10	Government of Poland PLN	2.500	25-Jul-2026	4	4	
56	Government of Poland PLN	2.500	25-Jul-2027	19	20	
				89	94	0.5
Singapore						
5	Singapore Government SGD	2.000	01-Jul-2020	5	5	
10	Singapore Government SGD	2.250	01-Jun-2021	9	10	
15	Singapore Government SGD	1.750	01-Apr-2022	14	15	
6	Singapore Government SGD	1.750	01-Feb-2023	6	6	
5	Singapore Government SGD	2.125	01-Jun-2026	5	5	
3	Singapore Government SGD	2.625	01-May-2028	3	3	
7	Singapore Government SGD	2.875	01-Jul-2029	7	8	
3	Singapore Government SGD	2.250	01-Aug-2036	3	3	
8	Singapore Government SGD	2.750	01-Mar-2046	8	9	
				60	64	0.3

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Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
South Africa						
14	Republic of South Africa ZAR	7.250	15-Jan-2020	\$ 1	\$ 1	
130	Republic of South Africa ZAR	7.750	28-Feb-2023	12	12	
161	Republic of South Africa ZAR	7.000	28-Feb-2031	13	13	
130	Republic of South Africa ZAR	8.250	31-Mar-2032	13	11	
135	Republic of South Africa ZAR	8.500	31-Jan-2037	11	11	
95	Republic of South Africa ZAR	8.750	31-Jan-2044	8	8	
205	Republic of South Africa ZAR	8.750	28-Feb-2048	18	17	
153	Republic of South Africa Government ZAR	8.000	31-Jan-2030	14	13	
30	Republic of South Africa Government ZAR	6.500	28-Feb-2041	2	2	
				92	88	0.5
Spain						
40	Spain Government EUR	1.400	31-Jan-2020	61	64	
22	Spain Government EUR	4.000	30-Apr-2020	37	36	
3	Spain Government EUR	1.150	30-Jul-2020	5	5	
27	Spain Government EUR	0.050	31-Jan-2021	40	42	
8	Spain Government EUR	5.500	30-Apr-2021	14	14	
2	Spain Government EUR	0.050	31-Oct-2021	3	3	
17	Spain Government EUR	5.850	31-Jan-2022	32	31	
26	Spain Government EUR	0.400	30-Apr-2022	38	41	
13	Spain Government EUR	0.450	31-Oct-2022	19	21	
12	Spain Government EUR	5.400	31-Jan-2023	23	23	
3	Spain Government EUR	0.350	30-Jul-2023	4	5	
12	Spain Government EUR	3.800	30-Apr-2024	22	22	
93	Spain Government EUR	2.750	31-Oct-2024	155	163	
14	Spain Government EUR	1.600	30-Apr-2025	22	23	
31	Spain Government EUR	2.150	31-Oct-2025	49	52	
6	Spain Government EUR	1.950	30-Apr-2026	10	10	
39	Spain Government EUR	1.450	31-Oct-2027	58	62	
15	Spain Government EUR	1.400	30-Apr-2028	23	24	
3	Spain Government EUR	1.400	30-Jul-2028	5	5	
13	Spain Government EUR	5.150	31-Oct-2028	26	27	
82	Spain Government EUR	2.350	30-Jul-2033	123	134	
22	Spain Government EUR	4.200	31-Jan-2037	44	45	
3	Spain Government EUR	5.150	31-Oct-2044	7	7	
16	Spain Government EUR	2.900	31-Oct-2046	24	27	
6	Spain Government EUR	2.700	31-Oct-2048	10	10	
11	Spain Government EUR	3.450	30-Jul-2066	18	20	
				872	916	4.8
Sweden						
105	Government of Sweden SEK	5.000	01-Dec-2020	19	18	
20	Government of Sweden SEK	3.500	01-Jun-2022	3	3	
65	Government of Sweden SEK	1.500	13-Nov-2023	11	11	
40	Government of Sweden SEK	2.500	12-May-2025	7	7	
45	Government of Sweden SEK	1.000	12-Nov-2026	7	7	
35	Government of Sweden SEK	0.750	12-May-2028	5	6	
30	Government of Sweden SEK	3.500	30-Mar-2039	6	7	
				58	59	0.3
United Kingdom						
26	United Kingdom Gilt GBP	2.000	22-Jul-2020	45	46	
40	United Kingdom Gilt GBP	3.750	07-Sep-2020	75	73	
4	United Kingdom Gilt GBP	1.500	22-Jan-2021	7	7	
2	United Kingdom Gilt GBP	3.750	07-Sep-2021	4	4	
2	United Kingdom Gilt GBP	4.000	07-Mar-2022	4	4	
29	United Kingdom Gilt GBP	0.500	22-Jul-2022	48	50	
10	United Kingdom Gilt GBP	1.750	07-Sep-2022	18	18	
22	United Kingdom Gilt GBP	0.750	22-Jul-2023	36	38	

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Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United Kingdom (cont.)						
43	United Kingdom Gilt GBP	2.750	07-Sep-2024	\$ 80	\$ 82	
13	United Kingdom Gilt GBP	5.000	07-Mar-2025	28	28	
18	United Kingdom Gilt GBP	1.250	22-Jul-2027	30	31	
22	United Kingdom Gilt GBP	4.250	07-Dec-2027	48	48	
22	United Kingdom Gilt GBP	1.625	22-Oct-2028	38	39	
35	United Kingdom Gilt GBP	4.250	07-Jun-2032	78	81	
22	United Kingdom Gilt GBP	1.750	07-Sep-2037	36	38	
30	United Kingdom Gilt GBP	4.750	07-Dec-2038	78	79	
45	United Kingdom Gilt GBP	3.250	22-Jan-2044	94	100	
3	United Kingdom Gilt GBP	3.500	22-Jan-2045	7	7	
15	United Kingdom Gilt GBP	4.250	07-Dec-2046	39	40	
52	United Kingdom Gilt GBP	1.500	22-Jul-2047	79	84	
9	United Kingdom Gilt GBP	1.750	22-Jan-2049	15	15	
2	United Kingdom Gilt GBP	3.750	22-Jul-2052	5	5	
4	United Kingdom Gilt GBP	4.250	07-Dec-2055	12	12	
12	United Kingdom Gilt GBP	1.750	22-Jul-2057	20	21	
12	United Kingdom Gilt GBP	4.000	22-Jan-2060	35	35	
13	United Kingdom Gilt GBP	2.500	22-Jul-2065	27	28	
5	United Kingdom Gilt GBP	3.500	22-Jul-2068	14	14	
7	United Kingdom Gilt GBP	1.625	22-Oct-2071	13	12	
				1 013	1 039	5.5
United States						
33	United States Treasury	2.000	31-Jan-2020	41	45	
200	United States Treasury	1.625	15-Mar-2020	247	270	
153	United States Treasury	1.125	31-Mar-2020	185	205	
88	United States Treasury	2.250	31-Mar-2020	112	120	
50	United States Treasury	2.375	30-Apr-2020	65	68	
40	United States Treasury	1.500	15-May-2020	51	54	
50	United States Treasury	2.500	31-May-2020	65	68	
140	United States Treasury	1.500	15-Jun-2020	170	188	
40	United States Treasury	2.625	31-Jul-2020	51	55	
55	United States Treasury	1.500	15-Aug-2020	66	74	
20	United States Treasury	2.750	30-Sep-2020	26	27	
30	United States Treasury	2.875	31-Oct-2020	39	41	
40	United States Treasury	1.750	31-Dec-2020	49	54	
50	United States Treasury	2.375	31-Dec-2020	63	68	
70	United States Treasury	2.125	31-Jan-2021	87	95	
120	United States Treasury	3.625	15-Feb-2021	158	168	
40	United States Treasury	2.375	15-Apr-2021	51	55	
10	United States Treasury	1.375	30-Apr-2021	13	13	
25	United States Treasury	2.250	30-Apr-2021	31	34	
45	United States Treasury	2.625	15-May-2021	59	62	
150	United States Treasury	3.125	15-May-2021	192	208	
140	United States Treasury	1.375	31-May-2021	169	186	
135	United States Treasury	1.125	31-Jul-2021	163	178	
50	United States Treasury	2.750	15-Aug-2021	65	69	
18	United States Treasury	1.125	31-Aug-2021	22	24	
15	United States Treasury	2.750	15-Sep-2021	19	21	
25	United States Treasury	1.125	30-Sep-2021	30	33	
20	United States Treasury	2.875	15-Oct-2021	26	28	
120	United States Treasury	2.000	15-Nov-2021	148	162	
35	United States Treasury	2.875	15-Nov-2021	47	48	
38	United States Treasury	2.000	31-Dec-2021	47	51	
100	United States Treasury	2.000	15-Feb-2022	123	135	
120	United States Treasury	1.750	31-Mar-2022	146	160	
100	United States Treasury	1.625	15-Aug-2022	121	133	
40	United States Treasury	1.625	31-Aug-2022	49	53	

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Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
33	United States Treasury	2.000	31-Oct-2022	\$ 42	\$ 44	
80	United States Treasury	1.625	15-Nov-2022	96	106	
67	United States Treasury	2.125	31-Dec-2022	83	90	
114	United States Treasury	2.375	31-Jan-2023	140	155	
15	United States Treasury	1.500	28-Feb-2023	18	20	
40	United States Treasury	2.500	31-Mar-2023	51	55	
10	United States Treasury	1.750	15-May-2023	12	13	
18	United States Treasury	1.625	31-May-2023	22	24	
41	United States Treasury	2.750	31-May-2023	53	57	
33	United States Treasury	1.375	30-Jun-2023	39	43	
10	United States Treasury	2.500	15-Aug-2023	13	14	
20	United States Treasury	6.250	15-Aug-2023	29	32	
19	United States Treasury	1.625	31-Oct-2023	23	25	
30	United States Treasury	2.875	31-Oct-2023	39	42	
35	United States Treasury	2.750	15-Nov-2023	45	48	
120	United States Treasury	2.750	15-Feb-2024	153	166	
250	United States Treasury	2.000	30-Apr-2024	304	333	
77	United States Treasury	2.000	31-May-2024	94	102	
25	United States Treasury	2.375	15-Aug-2024	30	34	
35	United States Treasury	1.875	31-Aug-2024	43	46	
24	United States Treasury	2.125	30-Sep-2024	31	32	
28	United States Treasury	2.250	31-Oct-2024	34	38	
29	United States Treasury	2.125	30-Nov-2024	36	39	
30	United States Treasury	2.250	31-Dec-2024	37	40	
10	United States Treasury	2.500	31-Jan-2025	13	14	
57	United States Treasury	2.000	15-Feb-2025	70	75	
30	United States Treasury	2.750	28-Feb-2025	38	41	
25	United States Treasury	2.625	31-Mar-2025	32	34	
55	United States Treasury	2.125	15-May-2025	68	73	
22	United States Treasury	2.875	31-May-2025	29	31	
20	United States Treasury	2.750	30-Jun-2025	25	28	
21	United States Treasury	2.875	31-Jul-2025	26	29	
15	United States Treasury	2.750	31-Aug-2025	19	21	
19	United States Treasury	3.000	30-Sep-2025	25	27	
19	United States Treasury	3.000	31-Oct-2025	25	27	
50	United States Treasury	2.250	15-Nov-2025	62	67	
82	United States Treasury	1.625	15-Feb-2026	96	105	
75	United States Treasury	2.000	15-Nov-2026	90	98	
25	United States Treasury	2.250	15-Feb-2027	31	33	
87	United States Treasury	2.375	15-May-2027	106	116	
76	United States Treasury	2.250	15-Aug-2027	93	100	
30	United States Treasury	6.125	15-Nov-2027	48	52	
46	United States Treasury	2.750	15-Feb-2028	58	63	
17	United States Treasury	2.875	15-May-2028	21	24	
30	United States Treasury	2.875	15-Aug-2028	39	42	
17	United States Treasury	5.500	15-Aug-2028	27	29	
15	United States Treasury	3.125	15-Nov-2028	20	21	
4	United States Treasury	5.250	15-Nov-2028	6	7	
30	United States Treasury	5.250	15-Feb-2029	48	50	
16	United States Treasury	4.500	15-Feb-2036	25	27	
12	United States Treasury	5.000	15-May-2037	20	22	
6	United States Treasury	4.375	15-Feb-2038	9	10	
14	United States Treasury	4.500	15-May-2038	22	24	
9	United States Treasury	3.500	15-Feb-2039	13	13	
10	United States Treasury	4.375	15-May-2040	15	17	
110	United States Treasury	3.125	15-Nov-2041	144	154	
60	United States Treasury	2.875	15-May-2043	75	80	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
120	United States Treasury	3.750	15-Nov-2043	\$ 174	\$ 185	
135	United States Treasury	3.000	15-Nov-2044	172	184	
50	United States Treasury	3.000	15-Nov-2045	62	68	
110	United States Treasury	2.500	15-Feb-2046	126	136	
23	United States Treasury	3.000	15-Feb-2047	29	31	
67	United States Treasury	3.000	15-May-2047	85	91	
24	United States Treasury	2.750	15-Aug-2047	29	30	
41	United States Treasury	3.000	15-Feb-2048	52	55	
13	United States Treasury	3.125	15-May-2048	17	17	
21	United States Treasury	3.000	15-Aug-2048	27	28	
14	United States Treasury	3.375	15-Nov-2048	19	19	
				6 693	7 249	38.1
TOTAL GLOBAL GOVERNMENT BONDS				\$ 18 276	19 555	102.8
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)					8	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)					(685)	(3.6)
TOTAL PORTFOLIO					18 878	99.2
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					149	0.8
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 19 027	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 315 Sold AUD 325 @ 0.9701	04-Jan-2019	\$ 3
Bought EUR 47 Sold CAD 71 @ 1.5083	04-Jan-2019	3
Bought USD 42 Sold CAD 56 @ 1.3278	04-Jan-2019	2
Bought CAD 71 Sold ZAR 744 @ 0.0954	04-Jan-2019	—
		\$ 8

Contracts	Maturity Date	Unrealized Loss
Bought CAD 43 Sold NOK 277 @ 0.1546	04-Jan-2019	\$ (1)
Bought CAD 55 Sold SGD 57 @ 0.9683	04-Jan-2019	(2)
Bought CAD 48 Sold EUR 32 @ 1.5000	04-Jan-2019	(2)
Bought CAD 89 Sold DKK 440 @ 0.2021	04-Jan-2019	(3)
Bought CAD 92 Sold PLN 261 @ 0.3506	04-Jan-2019	(4)
Bought CAD 67 Sold SEK 457 @ 0.1464	04-Jan-2019	(4)
Bought CAD 111 Sold MXN 1 710 @ 0.0650	04-Jan-2019	(7)
Bought CAD 1 012 Sold GBP 596 @ 1.6975	04-Jan-2019	(26)
Bought CAD 3 521 Sold USD 2 652 @ 1.3278	04-Jan-2019	(100)
Bought CAD 3 521 Sold USD 2 652 @ 1.3278	04-Jan-2019	(100)
Bought CAD 3 008 Sold EUR 1 995 @ 1.5082	04-Jan-2019	(107)
Bought CAD 3 008 Sold EUR 1 995 @ 1.5081	04-Jan-2019	(107)
Bought CAD 1 816 Sold JPY 154 808 @ 0.0117	04-Jan-2019	(111)
Bought CAD 1 816 Sold JPY 154 808 @ 0.0117	04-Jan-2019	(111)
		\$ (685)
TOTAL FOREIGN EXCHANGE		\$ (677)

All counterparties have a credit rating of at least A.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 19 555	\$ 25 780
Cash	45	88
Due from investment dealers	67	141
Unrealized gain on foreign exchange contracts	2	689
Dividends receivable, interest accrued and other assets	115	124
TOTAL ASSETS	19 784	26 822
LIABILITIES		
Due to investment dealers	–	756
Unrealized loss on foreign exchange contracts	679	15
Distributions payable	71	38
Accounts payable and accrued expenses	7	9
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	757	818
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 19 027	\$ 26 004
Investments at cost	\$ 18 276	\$ 25 225
NAV PER UNIT	\$ 20.03	\$ 20.00

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 544	\$ 115
Derivative income	(1 314)	(611)
Net realized gain (loss) on investments	414	51
Change in unrealized gain (loss) on investments	724	555
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	368	110
Securities lending revenue (see note 8 in the generic notes)	1	–
Net gain (loss) on foreign cash balances	(2)	–
TOTAL OTHER INCOME (LOSS)	(1)	–
TOTAL INCOME (LOSS)	367	110
EXPENSES (see notes – ETF Specific Information)		
Management fees	91	26
GST/HST	12	3
TOTAL EXPENSES	103	29
INCREASE (DECREASE) IN NAV	\$ 264	\$ 81
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.20	\$ 0.06



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 264	\$ 81
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	(1)	—
Net realized loss (gain) on investments	(414)	(51)
Change in unrealized loss (gain) on investments and foreign exchange contracts	626	(1 229)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	9	(124)
Increase (decrease) in accrued payables	(2)	9
Cost of investments purchased*	(14 345)	(26 041)
Proceeds from sale and maturity of investments*	21 027	1 482
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	7 164	(25 873)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	7 944	27 005
Cash paid on redemption of redeemable units*	(14 784)	(1 005)
Distributions paid to holders of redeemable units	(368)	(39)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (7 208)	\$ 25 961
Net unrealized foreign exchange gain (loss) on cash	1	—
Net increase (decrease) in cash for the period	(44)	88
Cash (bank overdraft), beginning of period	88	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 45	\$ 88
Interest received (paid)	\$ 553	\$ (8)
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 26 004	\$ —
INCREASE (DECREASE) IN NAV	264	81
Early redemption fees	—	—
Proceeds from redeemable units issued	7 944	27 005
Reinvestments of distributions to holders of redeemable units	—	—
Redemption of redeemable units	(14 784)	(1 005)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(6 840)	26 000
Distributions from net income	(401)	(73)
Distributions from net gains	—	—
Distributions from capital	—	(4)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(401)	(77)
NET INCREASE (DECREASE) IN NAV	(6 977)	26 004
NAV AT END OF PERIOD	\$ 19 027	\$ 26 004

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to replicate, to the extent possible and before fees and expenses, the performance of a broad world government bond index that is hedged to Canadian dollars. Currently, the ETF seeks to track the FTSE World Government Bond Index (hedged to CAD) (or any successor thereto).

The ETF was started August 9, 2017.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the ETF's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	25.2	48.0
AA	40.7	17.0
A	25.8	21.0
BBB	7.8	11.8
BB	0.5	0.5
Unrated	–	1.7
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Global Bonds		
United States	38.5	34.3
Japan	20.5	19.6
France	7.7	8.2
Italy	7.4	7.9
Germany	5.8	5.8
United Kingdom	5.5	5.5
Spain	4.9	4.7
Other Global Bonds	12.4	13.1
Other Net Assets	(2.7)	0.9
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the ETF's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	–	–
1 – 5 years	44.6	46.2
5 – 10 years	28.1	28.9
> 10 years	27.3	24.9
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 8.2% (December 31, 2017 – 7.7%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

Since the currency risk of the ETF has been hedged using foreign exchange contracts, the ETF has minimal sensitivity to changes in foreign exchange rates.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	19 555	–	19 555
Short-term investments	–	–	–	–
Derivatives – assets	–	2	–	2
Derivatives – liabilities	–	(679)	–	(679)
Total financial instruments	–	18 878	–	18 878
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	25 780	–	25 780
Short-term investments	–	–	–	–
Derivatives – assets	–	687	–	687
Derivatives – liabilities	–	(13)	–	(13)
Total financial instruments	–	26 454	–	26 454
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.35% annually, before GST/HST, of the daily NAV of the ETF.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the ETF as at:

	December 31 2018	December 31 2017
Units held		
RBC Global Government Bond (CAD Hedged) Index ETF	200 000	600 000
Value of all units	4 006	12 002

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	1 109
Non-capital losses	–

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Opening units	1 300	–
Issued number of units	400	1 350
Reinvested number of units	–	–
Redeemed number of units	(750)	(50)
Ending number of units	950	1 300

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	2 011	1 534
Fair value of collateral received	2 052	1 568

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	2	100	–	100
RBC IS (paid)	(1)	(25)	–	(25)
Tax withheld	–	–	–	–
ETF revenue	1	75	–	75

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the ETF has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the ETF if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	8	(685)
Amounts set-off in the Statements of Financial Position	(6)	6
Net amounts presented in the Statements of Financial Position	2	(679)
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	2	(679)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	689	(15)
Amounts set-off in the Statements of Financial Position	(15)	15
Net amounts presented in the Statements of Financial Position	674	–
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	674	–

Subsequent event

RBC GAM has called and will hold a special meeting of unitholders of the ETF on March 22, 2019. Subject to receipt of necessary unitholder and regulatory approvals, the trustee, investment fund manager and portfolio manager of the ETF will change from RBC GAM to BlackRock Asset Management Canada Limited effective on or about April 5, 2019.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC BLUEBAY GLOBAL DIVERSIFIED INCOME (CAD HEDGED) ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
SHORT-TERM INVESTMENTS						
TREASURY BILLS						
1 400	Canadian Treasury Bill	4.850	10-Mar-2078	\$ 1 393	\$ 1 393	
TOTAL SHORT-TERM INVESTMENTS				1 393	1 393	9.7
GLOBAL BONDS						
Brazil						
100	Republic of Brazil USD	8.250	20-Jan-2034	164	168	
100	Vale Canada Ltd. USD	7.200	15-Sep-2032	140	151	
				304	319	2.2
Canada						
200	Enbridge Inc. USD	6.000	15-Jan-2077	262	247	
				262	247	1.7
Colombia						
200	Colombia Telecomunicaciones S.A. E.S.P. USD	8.500	31-Dec-2049	267	282	
200	SURA Asset Management S.A. USD	4.375	11-Apr-2027	254	255	
				521	537	3.7
Denmark						
100	Norican A/S EUR	4.500	15-May-2023	150	135	
100	TDC A/S EUR	3.750	02-Mar-2022	167	172	
				317	307	2.1
Egypt						
200	Arab Republic of Egypt USD	7.500	31-Jan-2027	275	261	
				275	261	1.8
France						
100	Banque PSA Finance S.A. USD	5.750	04-Apr-2021	136	141	
100	CNP Assurances EUR	1.875	20-Oct-2022	156	159	
200	Credit Agricole S.A. GBP	7.500	31-Dec-2049	415	361	
100	Electricite de France S.A. EUR	5.375	29-Dec-2049	171	160	
100	Groupama S.A. EUR	6.000	23-Jan-2027	185	174	
100	NEW Areva Holding S.A. EUR	4.875	23-Sep-2024	166	155	
200	Numericable-SFR S.A. USD	7.375	01-May-2026	242	251	
200	TOTAL S.A. EUR	2.708	31-Dec-2049	311	319	
				1 782	1 720	12.0
Germany						
90	Unitymedia GmbH EUR	4.625	15-Feb-2026	146	149	
				146	149	1.0
Greece						
130	Hellenic Republic Government EUR	3.900	30-Jan-2033	171	185	
140	Hellenic Republic Government EUR	4.000	30-Jan-2037	170	193	
140	Hellenic Republic Government EUR	4.200	30-Jan-2042	186	192	
				527	570	4.0
Italy						
200	Intesa Sanpaolo S.p.A. EUR	6.250	31-Dec-2049	292	298	
200	Intesa Sanpaolo S.p.A. EUR	7.750	31-Dec-2049	345	328	
100	Telecom Italia Finance S.A. EUR	7.750	24-Jan-2033	224	196	
200	UniCredit S.p.A. EUR	9.250	31-Dec-2049	350	338	
				1 211	1 160	8.1

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Luxembourg						
200	LSF10 Wolverine Investments S.C.A. EUR	5.000	15-Mar-2024	\$ 309	\$ 296	
				309	296	2.1
Macedonia						
100	Republic of Macedonia EUR	5.625	26-Jul-2023	167	174	
				167	174	1.2
Mexico						
100	United Mexican States EUR	4.000	15-Mar-2115	138	137	
				138	137	1.0
Netherlands						
200	Cooperatieve Rabobank U.A. EUR	4.625	31-Dec-2049	299	301	
100	EDP Finance BV EUR	1.875	29-Sep-2023	157	162	
100	IPD 3 BV EUR	4.500	15-Jul-2022	155	155	
				611	618	4.3
Nigeria						
200	Nigeria Government USD	7.875	16-Feb-2032	271	249	
				271	249	1.7
Portugal						
100	Galp Gas Natural Distribuicao S.A. EUR	1.375	19-Sep-2023	151	155	
				151	155	1.1
Qatar						
200	Qatar Reinsurance Co. Ltd. USD	4.950	31-Dec-2049	252	260	
				252	260	1.8
Spain						
100	Autonomous Community of Catalonia EUR	4.220	26-Apr-2035	140	163	
				140	163	1.1
Sri Lanka						
200	Sri Lanka Government USD	6.200	11-May-2027	259	242	
				259	242	1.7
Sweden						
200	Fastighets AB Balder EUR	3.000	07-Mar-2078	309	292	
200	Intrum AB EUR	3.125	15-Jul-2024	303	277	
				612	569	4.0
Switzerland						
100	Swiss Re ReAssure Ltd. EUR	1.375	27-May-2023	153	159	
				153	159	1.1
United Arab Emirates						
210	Emirates NBD 2014 Tier 1 Ltd. USD	6.375	31-Dec-2049	275	291	
200	NBK Tier 1 Financing Ltd. USD	5.750	31-Dec-2049	261	276	
				536	567	3.9
United Kingdom						
200	Algeco Scotsman Global Finance Plc. EUR	6.500	15-Feb-2023	318	307	
200	Barclays Plc. GBP	7.250	31-Dec-2049	360	348	
100	ITV Plc. EUR	2.125	21-Sep-2022	155	161	
100	Scottish Widows Ltd. GBP	5.500	16-Jun-2023	187	188	
200	Viridian Power & Energy Ltd. GBP	4.750	15-Sep-2024	327	321	
				1 347	1 325	9.2
United States						
100	BAT Capital Corp. EUR	1.125	16-Nov-2023	159	153	
100	CCO Holdings LLC	5.125	01-May-2027	126	128	
100	CenturyLink Inc.	6.450	15-Jun-2021	132	137	
100	Charter Communications Operating LLC	6.384	23-Oct-2035	146	141	
100	Cinemark USA Inc.	4.875	01-Jun-2023	127	131	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
200	Citgo Holding Inc.	10.750	15-Feb-2020	\$ 273	\$ 279	
100	First Data Corp.	5.000	15-Jan-2024	130	132	
200	Neptune Finco Corp.	6.625	15-Oct-2025	269	277	
100	RegionalCare Hospital Partners Holdings Inc.	8.250	01-May-2023	132	138	
100	Reynolds American Inc.	4.850	15-Sep-2023	138	138	
100	Sprint Capital Corp.	8.750	15-Mar-2032	158	144	
200	Tenet Healthcare Corp.	6.000	01-Oct-2020	265	278	
200	Viacom Inc.	5.875	28-Feb-2057	252	250	
100	Zayo Group LLC	5.750	15-Jan-2027	133	123	
				2 440	2 449	17.0
TOTAL GLOBAL BONDS				12 731	12 633	87.8
TOTAL INVESTMENTS				\$ 14 124	14 026	97.5
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)					344	2.4
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)					(790)	(5.5)
TOTAL PORTFOLIO					13 580	94.4
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					805	5.6
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 14 385	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought EUR 342 Sold CAD 516 @ 1.5078	11-Jan-2019	\$ 19
Bought USD 426 Sold CAD 567 @ 1.3302	11-Jan-2019	15
Bought GBP 179 Sold CAD 305 @ 1.7056	11-Jan-2019	6
Bought GBP 40 Sold CAD 68 @ 1.7023	11-Jan-2019	2
Bought GBP 19 Sold CAD 32 @ 1.7005	11-Jan-2019	1
Bought EUR 22 Sold CAD 33 @ 1.5290	11-Jan-2019	1
Bought USD 32 Sold CAD 43 @ 1.3567	11-Jan-2019	—
Bought EUR 2 710 Sold CAD 4 097 @ 1.5118	23-Jan-2019	140
Bought USD 2 600 Sold CAD 3 450 @ 1.3271	23-Jan-2019	98
Bought GBP 1 340 Sold CAD 2 270 @ 1.6943	23-Jan-2019	62
		\$ 344

Contracts	Maturity Date	Unrealized Loss
Bought CAD 76 Sold EUR 49 @ 1.5462	11-Jan-2019	\$ (1)
Bought CAD 32 Sold USD 24 @ 1.3271	11-Jan-2019	(1)
Bought CAD 32 Sold EUR 21 @ 1.5114	11-Jan-2019	(1)
Bought CAD 3 897 Sold GBP 2 300 @ 1.6945	11-Jan-2019	(105)
Bought CAD 9 334 Sold USD 7 049 @ 1.3241	11-Jan-2019	(291)
Bought CAD 10 499 Sold EUR 6 970 @ 1.5063	11-Jan-2019	(391)
		\$ (790)
TOTAL FOREIGN EXCHANGE		\$ (446)

All counterparties have a credit rating of at least A.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 14 026	\$ 15 894
Cash	743	772
Unrealized gain on foreign exchange contracts	300	234
Dividends receivable, interest accrued and other assets	258	270
TOTAL ASSETS	15 327	17 170
LIABILITIES		
Unrealized loss on foreign exchange contracts	746	–
Distributions payable	187	585
Accounts payable and accrued expenses	9	10
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	942	595
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 14 385	\$ 16 575
Investments at cost	\$ 14 124	\$ 15 692
NAV PER UNIT	\$ 17.98	\$ 19.50

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 1 131	\$ 171
Derivative income	(751)	(134)
Net realized gain (loss) on investments	(868)	3
Change in unrealized gain (loss) on investments	(300)	202
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(788)	242
Securities lending revenue (see note 8 in the generic notes)	3	–
Net gain (loss) on foreign cash balances	81	(22)
TOTAL OTHER INCOME (LOSS)	84	(22)
TOTAL INCOME (LOSS)	(704)	220
EXPENSES (see notes – ETF Specific Information)		
Management fees	137	22
GST/HST	19	2
Withholding tax	2	–
TOTAL EXPENSES	158	24
INCREASE (DECREASE) IN NAV	\$ (862)	\$ 196
INCREASE (DECREASE) IN NAV PER UNIT	\$ (0.71)	\$ 0.25



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (862)	\$ 196
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	(2)	1
Net realized loss (gain) on investments	868	(3)
Change in unrealized loss (gain) on investments and foreign exchange contracts	980	(436)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	12	(270)
Increase (decrease) in accrued payables	(1)	10
Cost of investments purchased*	(12 669)	(16 070)
Proceeds from sale and maturity of investments*	13 369	381
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	1 695	(16 191)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	8 739	17 008
Cash paid on redemption of redeemable units*	(9 124)	—
Distributions paid to holders of redeemable units	(1 341)	(44)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (1 726)	\$ 16 964
Net unrealized foreign exchange gain (loss) on cash	2	(1)
Net increase (decrease) in cash for the period	(31)	773
Cash (bank overdraft), beginning of period	772	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 743	\$ 772
Interest received (paid)	\$ 1 143	\$ (99)
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 16 575	\$ —
INCREASE (DECREASE) IN NAV	(862)	196
Early redemption fees	—	—
Proceeds from redeemable units issued	8 739	17 008
Reinvestments of distributions to holders of redeemable units	—	—
Redemption of redeemable units	(9 124)	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(385)	17 008
Distributions from net income	(941)	(145)
Distributions from net gains	—	—
Distributions from capital	(2)	(484)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(943)	(629)
NET INCREASE (DECREASE) IN NAV	(2 190)	16 575
NAV AT END OF PERIOD	\$ 14 385	\$ 16 575

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure to the performance of a diversified portfolio of global bonds that provide regular monthly income and total returns comprised of interest income and modest capital appreciation, while seeking to minimize the exposure to currency fluctuations between foreign currencies and the Canadian dollar.

The ETF was started September 8, 2017.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the ETF's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	–	3.2
AA	–	0.9
A	3.4	4.7
BBB	21.2	25.5
BB	27.9	29.0
B	31.8	29.7
Unrated	15.7	7.0
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Global Bonds		
United States	17.0	25.5
France	12.0	8.9
United Kingdom	9.2	9.2
Italy	8.1	4.4
Netherlands	4.3	4.8
Greece	4.0	–
Sweden	4.0	–
United Arab Emirates	3.9	–
Spain	1.1	4.8
Cayman Islands	–	6.7
Other Global Bonds	24.2	31.1
Other Net Assets	12.2	4.6
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the ETF's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	9.9	1.9
1 – 5 years	23.7	16.8
5 – 10 years	21.7	45.2
> 10 years	44.7	36.1
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 7.8% (December 31, 2017 – 9.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

Since the currency risk of the ETF has been hedged using foreign exchange contracts, the ETF has minimal sensitivity to changes in foreign exchange rates.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	12 633	–	12 633
Short-term investments	–	1 393	–	1 393
Derivatives – assets	–	300	–	300
Derivatives – liabilities	–	(746)	–	(746)
Total financial instruments	–	13 580	–	13 580
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	15 894	–	15 894
Short-term investments	–	–	–	–
Derivatives – assets	–	234	–	234
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	16 128	–	16 128
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.



December 31, 2018

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.60% annually, before GST/HST, of the daily NAV of the ETF.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the ETF as at:

	December 31 2018	December 31 2017
Units held		
RBC BlueBay Global Diversified Income (CAD Hedged) ETF	400 000	700 000
Value of all units	7 192	13 650

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	1 247
Non-capital losses	—

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Opening units	850	—
Issued number of units	450	850
Reinvested number of units	—	—
Redeemed number of units	(500)	—
Ending number of units	800	850

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	305	—
Fair value of collateral received	311	—

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	3	100	—	—
RBC IS (paid)	—	(25)	—	—
Tax withheld	—	—	—	—
ETF revenue	3	75	—	—

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the ETF has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the ETF if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	344	(790)
Amounts set-off in the Statements of Financial Position	(44)	44
Net amounts presented in the Statements of Financial Position	300	(746)
Related amounts not set-off	(300)	300
Collateral (received) pledged	—	(56)
Net amount	—	(502)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	236	(2)
Amounts set-off in the Statements of Financial Position	(2)	2
Net amounts presented in the Statements of Financial Position	234	—
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	234	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN PREFERRED SHARE ETF

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS						
CORPORATE						
4 000 000	Canadian Imperial Bank of Commerce	2.350	24-Jun-2019	\$ 4 009	\$ 4 003	
TOTAL CANADIAN BONDS				4 009	4 003	0.5

Shares	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
PREFERRED EQUITIES				
Communication Services				
798 096	BCE Inc., Preferred Series AK, 4.150%	\$ 14 235	\$ 12 307	
200 073	BCE Inc., Preferred Series AM, 2.764%	3 566	3 209	
234 256	BCE Inc., Preferred Series AO, 4.550%	5 604	4 980	
502 019	BCE Inc., Preferred Series AQ, 4.250%	11 503	10 618	
170 912	Shaw Communications Inc., Preferred Series A, 4.500%	2 898	2 552	
		37 806	33 666	4.0

Energy				
80 780	Enbridge Inc., Preferred Series 1, 4.000%	2 412	2 317	
350 853	Enbridge Inc., Preferred Series 3, 4.000%	6 748	5 519	
63 110	Enbridge Inc., Preferred Series 5, 4.400%	1 859	1 667	
214 876	Enbridge Inc., Preferred Series 7, 4.400%	4 442	3 653	
122 341	Enbridge Inc., Preferred Series 9, 4.400%	2 505	2 080	
160 169	Enbridge Inc., Preferred Series 11, 4.400%	3 241	2 667	
205 808	Enbridge Inc., Preferred Series 13, 4.400%	4 209	3 449	
136 620	Enbridge Inc., Preferred Series 17, 5.150%	3 394	3 379	
41 844	Enbridge Inc., Preferred Series B, 4.000%	775	642	
550 590	Enbridge Inc., Preferred Series D, 4.000%	10 416	9 195	
683 015	Enbridge Inc., Preferred Series F, 4.000%	13 328	12 021	
506 618	Enbridge Inc., Preferred Series H, 4.000%	9 117	8 050	
91 919	Enbridge Inc., Preferred Series J, 4.000%	2 737	2 398	
52 393	Enbridge Inc., Preferred Series L, 4.000%	1 557	1 371	

Shares	Security	Cost	Fair Value	% of Net Assets
Energy (cont.)				
382 355	Enbridge Inc., Preferred Series P, 4.000%	\$ 7 540	\$ 6 217	
682 371	Enbridge Inc., Preferred Series N, 4.000%	13 871	12 651	
239 425	Enbridge Inc., Preferred Series R, 4.000%	4 625	3 881	
184 842	Husky Energy Inc., Preferred Series 1, 4.450%	2 995	2 492	
176 593	Husky Energy Inc., Preferred Series 3, 4.500%	4 114	3 532	
187 890	Husky Energy Inc., Preferred Series 5, 4.500%	4 512	3 839	
140 705	Husky Energy Inc., Preferred Series 7, 4.600%	3 389	2 872	
543 144	Pembina Pipeline Corp., Preferred Series 1, 4.250%	11 313	9 831	
133 749	Pembina Pipeline Corp., Preferred Series 3, 4.700%	2 898	2 441	
174 250	Pembina Pipeline Corp., Preferred Series 5, 5.000%	4 054	3 664	
181 513	Pembina Pipeline Corp., Preferred Series 7, 4.500%	4 073	3 516	
172 401	Pembina Pipeline Corp., Preferred Series 9, 4.750%	4 278	3 841	
171 909	Pembina Pipeline Corp., Preferred Series 13, 5.750%	4 510	4 344	
296 848	Pembina Pipeline Corp., Preferred Series 15, 4.464%	6 229	5 688	
119 097	Pembina Pipeline Corp., Preferred Series 17, 5.000%	2 701	2 471	
189 641	Pembina Pipeline Corp., Preferred Series 19, 5.000%	4 690	4 434	
134 080	Pembina Pipeline Corp., Preferred Series 21, 4.900%	3 345	3 056	
195 375	TransCanada Corp., Preferred Series 1, 4.600%	3 746	3 235	
191 671	TransCanada Corp., Preferred Series 3, 4.000%	2 946	2 599	
213 687	TransCanada Corp., Preferred Series 5, 4.400%	3 496	3 030	
537 433	TransCanada Corp., Preferred Series 7, 4.000%	11 636	9 889	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Shares	Security	Cost	Fair Value	% of Net Assets
Energy (cont.)				
440 382	TransCanada Corp., Preferred Series 9, 4.250%	\$ 9 704	\$ 8 244	
290 235	TransCanada Corp., Preferred Series 11, 3.800%	6 769	5 900	
219 052	TransCanada Corp., Preferred Series 13, 5.500%	5 799	5 566	
379 892	TransCanada Corp., Preferred Series 15, 4.900%	9 857	9 391	
		209 830	185 032	21.9
Financials				
114 029	Bank of Montreal, Preferred Series 25, 1.805%	2 511	2 623	
493 347	Bank of Montreal, Preferred Series 27, 4.000%	11 078	9 729	
288 773	Bank of Montreal, Preferred Series 29, 3.900%	6 339	5 518	
154 216	Bank of Montreal, Preferred Series 31, 3.800%	3 158	2 972	
329 913	Bank of Montreal, Preferred Series 33, 3.800%	7 801	7 093	
421 519	Bank of Montreal, Preferred Series 38, 4.850%	11 001	10 711	
353 788	Bank of Montreal, Preferred Series 40, 4.500%	8 966	7 953	
105 194	Bank of Montreal, Preferred Series 42, 4.400%	2 622	2 314	
74 942	Bank of Montreal, Preferred Series 44, 4.850%	1 864	1 692	
242 078	Bank of Nova Scotia, Preferred Series 34, 5.500%	6 461	6 188	
288 132	Bank of Nova Scotia, Preferred Series 36, 5.500%	7 713	7 353	
347 695	Bank of Nova Scotia, Preferred Series 38, 4.850%	9 081	8 765	
175 053	Brookfield Asset Management Inc., Preferred Series 24, 3.014%	3 411	3 125	
297 615	Brookfield Asset Management Inc., Preferred Series 26, 4.500%	5 892	5 342	
304 376	Brookfield Asset Management Inc., Preferred Series 28-A, 4.600%	5 199	4 897	
313 458	Brookfield Asset Management Inc., Preferred Series 30, 4.800%	7 193	6 896	
372 020	Brookfield Asset Management Inc., Preferred Series 32, 4.500%	8 798	8 162	
255 586	Brookfield Asset Management Inc., Preferred Series 34, 4.200%	5 748	5 319	
205 857	Brookfield Asset Management Inc., Preferred Series 38, 4.400%	4 566	4 027	
183 495	Brookfield Asset Management Inc., Preferred Series 40, 4.500%	4 347	3 835	
354 569	Brookfield Asset Management Inc., Preferred Series 42, 4.500%	8 191	7 449	
152 700	Brookfield Asset Management Inc., Preferred Series 46, 4.800%	3 930	3 894	
204 637	Brookfield Office Properties Inc., Preferred Series AA, 4.750%	4 564	3 653	

Shares	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
152 045	Brookfield Office Properties Inc., Preferred Series N, 3.782%	\$ 3 045	\$ 2 633	
208 874	Brookfield Office Properties Inc., Preferred Series P, 5.150%	4 238	3 614	
66 812	Brookfield Office Properties Inc., Preferred Series R, 4.155%	1 448	1 244	
331 050	Brookfield Office Properties Inc., Preferred Series T, 4.600%	7 277	6 621	
10 575	Brookfield Office Properties Inc., Preferred Series II, 4.850%	191	197	
356 944	Canadian Imperial Bank of Commerce, Preferred Series 39, 3.900%	7 929	6 764	
292 040	Canadian Imperial Bank of Commerce, Preferred Series 41, 3.750%	6 368	5 379	
255 430	Canadian Imperial Bank of Commerce, Preferred Series 43, 3.600%	5 996	5 226	
415 667	Canadian Imperial Bank of Commerce, Preferred Series 45, 4.400%	10 422	9 232	
189 447	Canadian Imperial Bank of Commerce, Preferred Series 47, 4.500%	4 452	3 978	
159 106	Canadian Western Bank, Preferred Series 5, 4.400%	3 579	3 465	
146 721	Canadian Western Bank, Preferred Series 7, 6.250%	3 932	3 719	
334 242	Element Fleet Management Corp., Preferred Series A, 6.600%	7 730	6 919	
172 467	Element Fleet Management Corp., Preferred Series C, 6.500%	4 087	3 429	
85 399	Element Fleet Management Corp., Preferred Series E, 6.400%	1 969	1 652	
146 989	Element Fleet Management Corp., Preferred Series G, 6.500%	3 465	3 175	
305 627	Element Fleet Management Corp., Preferred Series I, 5.750%	6 997	5 675	
72 908	Empire Life Insurance, Preferred Series 1, 5.750%	1 926	1 913	
167 779	Fairfax Financial Holdings Ltd., Preferred Series C, 4.578%	3 843	3 334	
232 721	Fairfax Financial Holdings Ltd., Preferred Series G, 3.318%	4 535	3 910	
411 636	Fairfax Financial Holdings Ltd., Preferred Series I, 3.708%	8 393	7 249	
278 590	Fairfax Financial Holdings Ltd., Preferred Series K, 5.000%	6 232	5 697	
248 893	Fairfax Financial Holdings Ltd., Preferred Series M, 4.750%	6 066	5 814	
150 948	Great-West Lifeco Inc., Preferred Series N, 3.650%	2 581	2 258	
41 054	Industrial Alliance Insurance & Financial Services Inc., Preferred Series B, 4.600%	841	854	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Shares	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
136 779	Industrial Alliance Insurance & Financial Services Inc., Preferred Series G, 4.300%	\$ 2 912	\$ 2 804	
95 935	Industrial Alliance Insurance & Financial Services Inc., Preferred Series I, 4.800%	2 172	2 105	
79 112	Intact Financial Corp., Preferred Series 1, 4.200%	1 392	1 335	
147 349	Intact Financial Corp., Preferred Series 3, 3.332%	3 263	2 863	
79 865	Intact Financial Corp., Preferred Series 7, 4.900%	1 861	1 738	
17 501	Laurentian Bank of Canada, Class A, Preferred Series 13, 4.300%	369	332	
28 474	Laurentian Bank of Canada, Class A, Preferred Series 15, 5.850%	750	719	
227 515	Manulife Financial Corporation, Preferred Series 1-7, 4.600%	5 479	4 976	
106 156	Manulife Financial Corporation, Preferred Series 3, 2.178%	1 791	1 584	
91 038	Manulife Financial Corporation, Preferred Series 5, 4.400%	2 134	1 839	
122 495	Manulife Financial Corporation, Preferred Series 9, 4.400%	2 779	2 539	
363 237	Manulife Financial Corporation, Preferred Series 11, 4.000%	8 367	7 621	
416 821	Manulife Financial Corporation, Preferred Series 13, 3.800%	8 885	8 099	
343 439	Manulife Financial Corporation, Preferred Series 15, 3.900%	7 376	6 354	
249 663	Manulife Financial Corporation, Preferred Series 17, 3.900%	5 519	4 581	
237 765	Manulife Financial Corporation, Preferred Series 19, 3.800%	5 237	4 320	
121 176	Manulife Financial Corporation, Preferred Series 21, 5.600%	3 231	3 108	
402 618	Manulife Financial Corporation, Preferred Series 23, 4.850%	10 377	9 828	
134 221	National Bank of Canada, Preferred Series 30, 4.100%	2 757	2 652	
422 419	National Bank of Canada, Preferred Series 32, 3.900%	9 116	7 840	
250 504	National Bank of Canada, Preferred Series 34, 5.600%	6 652	6 448	
282 002	National Bank of Canada, Preferred Series 36, 5.400%	7 432	7 194	
319 964	National Bank of Canada, Preferred Series 38, 4.450%	8 033	7 087	
77 722	National Bank of Canada, Preferred Series 40, 4.600%	1 907	1 642	
154 902	Power Financial Corp., Preferred Series P, 2.306%	2 655	2 325	
125 559	Power Financial Corp., Preferred Series T, 4.200%	2 889	2 404	
285 172	Royal Bank of Canada, Preferred Series AZ, 4.000%*	5 960	5 644	

Shares	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
404 251	Royal Bank of Canada, Preferred Series BB, 3.900%*	\$ 8 957	\$ 7 952	
566 810	Royal Bank of Canada, Preferred Series BD, 3.600%*	13 255	12 045	
303 101	Royal Bank of Canada, Preferred Series BF, 3.600%*	7 037	6 401	
575 606	Royal Bank of Canada, Preferred Series BK, 5.500%*	15 354	14 822	
515 486	Royal Bank of Canada, Preferred Series BM, 5.500%*	13 808	13 325	
86 075	Sun Life Financial Inc., Preferred Series 10R, 2.842%	1 752	1 579	
213 336	Sun Life Financial Inc., Preferred Series 12R, 4.250%	4 938	4 337	
478 869	Toronto-Dominion Bank, Preferred Series 1, 3.900%	10 564	9 218	
448 016	Toronto-Dominion Bank, Preferred Series 3, 3.800%	9 801	8 759	
577 546	Toronto-Dominion Bank, Preferred Series 5, 3.750%	12 619	11 118	
389 075	Toronto-Dominion Bank, Preferred Series 7, 3.600%	9 160	8 272	
201 807	Toronto-Dominion Bank, Preferred Series 9, 3.700%	4 822	4 391	
535 667	Toronto-Dominion Bank, Preferred Series 12, 5.500%	14 297	13 772	
647 083	Toronto-Dominion Bank, Preferred Series 14, 4.850%	16 828	16 475	
49 076	Toronto-Dominion Bank, Preferred Series 16, 4.500%	1 221	1 088	
168 907	Toronto-Dominion Bank, Preferred Series 18, 4.700%	4 205	3 758	
15 000	Toronto-Dominion Bank, Preferred Series 20, 4.750%	300	331	
		528 189	481 085	56.8

Utilities				
220 756	Algonquin Power & Utilities Corp., Preferred Series A, 4.500%	5 015	4 501	
217 380	AltaGas Ltd., Preferred Series A, 3.380%	4 358	3 189	
314 644	AltaGas Ltd., Preferred Series E, 5.000%	7 508	5 698	
171 193	AltaGas Ltd., Preferred Series G, 4.750%	3 955	2 955	
222 959	AltaGas Ltd., Preferred Series I, 5.250%	5 684	4 611	
107 583	AltaGas Ltd., Preferred Series K, 5.000%	2 562	2 023	
64 265	Brookfield Infrastructure Partners LP, Preferred Series 1, 4.500%	1 561	1 329	
48 848	Brookfield Infrastructure Partners LP, Preferred Series 3, 5.500%	1 260	1 238	
206 657	Brookfield Infrastructure Partners LP, Preferred Series 5, 5.350%	5 319	5 166	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Shares	Security	Cost	Fair Value	% of Net Assets
Utilities (cont.)				
125 139	Brookfield Infrastructure Partners LP, Preferred Series 7, 5.000%	\$ 3 140	\$ 2 856	
26 611	Brookfield Infrastructure Partners LP, Preferred Series 9, 5.000%	560	603	
112 705	Brookfield Renewable Partners LP, Preferred Series 7, 5.500%	2 885	2 812	
123 000	Brookfield Renewable Partners LP, Preferred Series 9, 5.750%	3 187	3 070	
89 816	Brookfield Renewable Partners LP, Preferred Series 11, 5.000%	2 239	1 946	
232 803	Brookfield Renewable Power Preferred Equity Inc., Preferred, 4.400%	5 222	4 190	
234 931	Canadian Utilities Ltd., Preferred Series FF, 4.500%	6 152	6 108	
100 431	Canadian Utilities Ltd., Preferred Series Y, 4.000%	2 100	1 851	
175 943	Capital Power Corp., Preferred Series 3, 4.600%	3 752	3 783	
261 799	Capital Power Corp., Preferred Series 5, 4.500%	5 588	5 555	
515 089	Emera Inc., Preferred Series C, 4.100%	11 772	10 915	
234 670	Emera Inc., Preferred Series F, 4.250%	5 386	4 543	
449 036	Fortis Inc., Preferred Series G, 5.250%	9 295	8 496	
88 379	Fortis Inc., Preferred Series H, 4.900%	1 482	1 332	
328 899	Fortis Inc., Preferred Series K, 4.000%	6 828	5 933	
510 891	Fortis Inc., Preferred Series M, 4.100%	11 556	9 962	
97 316	Northland Power Inc., Preferred Series 3, 5.000%	2 264	1 938	
124 338	TransAlta Corp., Preferred Series A, 2.709%	1 700	1 475	
450 478	TransAlta Corp., Preferred Series C, 4.600%	7 763	6 446	
206 061	TransAlta Corp., Preferred Series E, 5.000%	4 084	3 435	
55 977	TransAlta Corp., Preferred Series G, 5.300%	1 167	1 013	
76 971	Westcoast Energy Inc., Preferred Series 10, 5.250%	2 003	1 938	
193 632	Westcoast Energy Inc., Preferred Series 12, 5.200%	5 048	4 861	
		142 395	125 771	14.9
TOTAL PREFERRED EQUITIES		918 220	825 554	97.6

Shares	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Utilities				
126 430	Capital Power Corp.	\$ 3 158	\$ 3 362	
197 042	TransAlta Renewables Inc.	2 486	2 043	
TOTAL COMMON EQUITIES		5 644	5 405	0.6
TOTAL EQUITIES		923 864	830 959	98.2
Less: Transaction costs		(108)	—	—
TOTAL INVESTMENTS		\$ 927 765	834 962	98.7
OTHER NET ASSETS ATTRIBUTABLE TO				
HOLDERS OF REDEEMABLE UNITS			11 274	1.3
NET ASSETS ATTRIBUTABLE TO				
HOLDERS OF REDEEMABLE UNITS			\$ 846 236	100.0

* Investment in related party (see note 9 in the generic notes).

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 834 962	\$ 696 992
Cash	13 134	4 511
Due from investment dealers	610	2 013
Subscriptions receivable	–	3 636
Dividends receivable, interest accrued and other assets	1 121	1 434
TOTAL ASSETS	849 827	708 586
LIABILITIES		
Due to investment dealers	554	3 602
Distributions payable	2 623	2 131
Accounts payable and accrued expenses	414	347
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	3 591	6 080
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 846 236	\$ 702 506
Investments at cost	\$ 927 765	\$ 660 284
NAV PER UNIT	\$ 20.97	\$ 24.27

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 41 953	\$ 20 245
Interest for distribution purposes	63	–
Income from investment trusts	108	49
Net realized gain (loss) on investments	(7 919)	3 729
Change in unrealized gain (loss) on investments	(129 511)	30 689
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(95 306)	54 712
Other income (loss)	34	–
Securities lending revenue (see note 8 in the generic notes)	17	6
Net gain (loss) on foreign cash balances	4	(1)
TOTAL OTHER INCOME (LOSS)	55	5
TOTAL INCOME (LOSS)	(95 251)	54 717
EXPENSES (see notes – ETF Specific Information)		
Management fees	4 731	2 303
Independent Review Committee costs	3	2
GST/HST	466	248
Transaction costs	117	161
TOTAL EXPENSES	5 317	2 714
INCREASE (DECREASE) IN NAV	\$ (100 568)	\$ 52 003
INCREASE (DECREASE) IN NAV PER UNIT	\$ (2.66)	\$ 2.85



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (100 568)	\$ 52 003
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	(3)	—
Net realized loss (gain) on investments	7 919	(3 729)
Change in unrealized loss (gain) on investments	129 511	(30 689)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	313	(1 037)
Increase (decrease) in accrued payables	67	284
Cost of investments purchased*	(56 127)	(66 288)
Proceeds from sale and maturity of investments*	59 620	62 454
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	40 732	12 998
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	4 391	7 111
Cash paid on redemption of redeemable units*	(970)	(351)
Distributions paid to holders of redeemable units	(35 533)	(16 224)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (32 112)	\$ (9 464)
Net unrealized foreign exchange gain (loss) on cash	3	—
Net increase (decrease) in cash for the period	8 620	3 534
Cash (bank overdraft), beginning of period	4 511	977
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 13 134	\$ 4 511
Interest received (paid)	\$ 63	\$ —
Income received from investment trusts	\$ 108	\$ 49
Dividends received, net of withholding taxes	\$ 42 266	\$ 19 208

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	2018	Total 2017
NAV AT BEGINNING OF PERIOD	\$ 702 506	\$ 147 358
INCREASE (DECREASE) IN NAV	(100 568)	52 003
Early redemption fees	—	—
Proceeds from redeemable units issued	361 878	535 966
Reinvestments of distributions to holders of redeemable units	—	—
Redemption of redeemable units	(81 555)	(14 979)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	280 323	520 987
Distributions from net income	(32 619)	(13 993)
Distributions from net gains	—	(2 905)
Distributions from capital	(3 406)	(944)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(36 025)	(17 842)
NET INCREASE (DECREASE) IN NAV	143 730	555 148
NAV AT END OF PERIOD	\$ 846 236	\$ 702 506

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure to the performance of a diversified portfolio of primarily Canadian preferred share securities that will provide regular income and that have the potential for long-term capital growth.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the ETF's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
P2	37.0	33.2
P2 High	2.8	3.3
P2 Low	22.3	17.1
P3	12.1	16.8
P3 High	19.6	19.7
P3 Low	5.7	4.0
Unrated	0.5	5.9
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Canadian Equities		
Financials	57.3	50.8
Energy	21.9	27.4
Utilities	15.5	14.3
Communication Services	4.0	3.8
Real Estate	–	2.6
Consumer Discretionary	–	0.3
Other Net Assets	1.3	0.8
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 27-month (December 31, 2017 – 15-month) historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite Total Return Index	+ or - 0.4	+ or - 0.4

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	830 959	–	–	830 959
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	4 003	–	4 003
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	830 959	4 003	–	834 962
% of total portfolio	99.5	0.5	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	696 992	–	–	696 992
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	696 992	–	–	696 992
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.53% annually, before GST/HST, of the daily NAV of the ETF.



December 31, 2018

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	232
Non-capital losses	—

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	28 944	6 764
Issued number of units	15 207	22 830
Reinvested number of units	—	—
Redeemed number of units	(3 800)	(650)
Ending number of units	40 351	28 944

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	117	100	161	100
Related-party brokerage commissions*	26	22	22	14
Commission arrangements†	—	—	1	1

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	8 855	6 406
Fair value of collateral received	9 032	6 535

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	22	100	8	100
RBC IS (paid)	(5)	(25)	(2)	(28)
Tax withheld	—	—	—	—
ETF revenue	17	75	6	72



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC QUANT CANADIAN DIVIDEND LEADERS ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Communication Services				
53 299	Cogeco Communications Inc.	\$ 3 633	\$ 3 506	
126 497	Rogers Communications Inc., Class B	7 742	8 850	
		11 375	12 356	11.2
Consumer Discretionary				
70 947	Magna International Inc., Class A	4 702	4 397	
		4 702	4 397	4.0
Consumer Staples				
5 199	The North West Co. Inc.	145	163	
		145	163	0.1
Energy				
95 542	Canadian Natural Resources Ltd.	3 656	3 147	
5	Enbridge Inc.	—	—	
100 649	Freehold Royalties Ltd.	1 445	832	
91 219	Gibson Energy Inc.	1 815	1 704	
127 212	Inter Pipeline Ltd.	3 321	2 460	
87 270	Keyera Corp.	3 145	2 252	
60 160	Parkland Fuel Corp.	1 560	2 126	
52 645	Pason Systems Inc.	987	963	
82 849	PrairieSky Royalty Ltd.	2 334	1 464	
131 828	Secure Energy Services Inc.	1 106	924	
93 597	Suncor Energy Inc.	4 128	3 569	
184 188	TORC Oil & Gas Ltd.	1 279	805	
		24 776	20 246	18.4
Financials				
80 335	Alaris Royalty Corp.	1 448	1 365	
103 193	Bank of Nova Scotia	7 818	7 022	
138 080	CI Financial Corp.	3 840	2 386	
109 690	Great-West Lifeco Inc.	3 703	3 091	
68 726	IGM Financial Inc.	2 740	2 133	
59 214	Industrial Alliance Insurance & Financial Services Inc.	3 126	2 580	
38 199	Intact Financial Corp.	3 560	3 789	
110 194	Power Financial Corp.	3 597	2 846	
88 812	Royal Bank of Canada*	7 846	8 299	
104 389	Sun Life Financial Inc.	5 376	4 728	
29 027	TMX Group Ltd.	2 025	2 053	
		45 079	40 292	36.6
Health Care				
71 305	Extencicare Inc.	600	453	
		600	453	0.4
Industrials				
38 234	Chorus Aviation Inc.	330	216	
16 457	Finning International Inc.	472	392	
9 084	NFI Group Inc.	455	309	
54 442	Russel Metals Inc.	1 560	1 161	
54 978	Thomson Reuters Corp.	2 989	3 625	

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
11 358	Westshore Terminals Investment Corp.	\$ 264	\$ 234	
6 684	WSP Global Inc.	391	392	
		6 461	6 329	5.8
Materials				
48 268	Labrador Iron Ore Royalty Corp.	1 056	1 170	
498 433	Lucara Diamond Corp.	1 122	738	
40 364	Norbord Inc.	1 924	1 465	
568 167	Western Forest Products Inc.	1 303	1 074	
		5 405	4 447	4.0
Real Estate				
16 183	Allied Properties Real Estate Investment Trust	633	717	
17 532	Canadian Apartment Properties Real Estate Investment Trust	488	777	
43 652	Dream Global Real Estate Investment Trust	460	519	
33 656	First Capital Realty Inc.	681	634	
10 648	Granite Real Estate Investment Trust	600	567	
38 081	H&R Real Estate Investment Trust	826	786	
29 475	Killam Apartment Real Estate Investment Trust	382	470	
34 827	RioCan Real Estate Investment Trust	948	829	
21 560	SmartCentres Real Estate Investment Trust	645	665	
		5 663	5 964	5.4
Utilities				
50 292	Atco Ltd., Class I, Non-Voting	2 227	1 942	
64 283	Brookfield Infrastructure Partners LP	3 455	3 031	
68 464	Canadian Utilities Ltd., Class A	2 534	2 144	
129 752	Hydro One Ltd.	3 050	2 626	
89 060	Northland Power Inc.	2 051	1 933	
158 630	Superior Plus Corp.	2 046	1 536	
128 826	TransAlta Renewables Inc.	1 697	1 336	
		17 060	14 548	13.2
TOTAL CANADIAN EQUITIES		121 266	109 195	99.1
Less: Transaction costs		(48)	—	—
TOTAL INVESTMENTS		\$ 121 218	109 195	99.1
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				829
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				\$ 110 024
				100.0

* Investment in related party (see note 9 in the generic notes).

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 109 195	\$ 133 396
Cash	724	523
Dividends receivable, interest accrued and other assets	480	541
TOTAL ASSETS	110 399	134 460
LIABILITIES		
Distributions payable	333	359
Accounts payable and accrued expenses	42	51
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	375	410
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 110 024	\$ 134 050
Investments at cost	\$ 121 218	\$ 125 387
NAV PER UNIT	\$ 18.19	\$ 21.28

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 5 115	\$ 4 786
Income from investment trusts	363	330
Net realized gain (loss) on investments	842	2 635
Change in unrealized gain (loss) on investments	(20 032)	1 397
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(13 712)	9 148
Securities lending revenue (see note 8 in the generic notes)	16	43
Net gain (loss) on foreign cash balances	5	1
TOTAL OTHER INCOME (LOSS)	21	44
TOTAL INCOME (LOSS)	(13 691)	9 192
EXPENSES (see notes – ETF Specific Information)		
Management fees	498	487
Independent Review Committee costs	3	3
GST/HST	44	42
Transaction costs	109	81
TOTAL EXPENSES	654	613
INCREASE (DECREASE) IN NAV	\$ (14 345)	\$ 8 579
INCREASE (DECREASE) IN NAV PER UNIT	\$ (2.26)	\$ 1.42



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (14 345)	\$ 8 579
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	(1)	—
Net realized loss (gain) on investments	(842)	(2 635)
Change in unrealized loss (gain) on investments	20 032	(1 397)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	61	(49)
Increase (decrease) in accrued payables	(9)	8
Cost of investments purchased*	(98 982)	(77 230)
Proceeds from sale and maturity of investments*	99 280	77 138
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	5 194	4 414
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	11	83
Cash paid on redemption of redeemable units*	(23)	(19)
Distributions paid to holders of redeemable units	(4 982)	(4 483)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (4 994)	\$ (4 419)
Net unrealized foreign exchange gain (loss) on cash	1	—
Net increase (decrease) in cash for the period	200	(5)
Cash (bank overdraft), beginning of period	523	528
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 724	\$ 523
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ 5 176	\$ 4 737

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 134 050	\$ 109 386
INCREASE (DECREASE) IN NAV	(14 345)	8 579
Early redemption fees	—	—
Proceeds from redeemable units issued	5 041	25 863
Reinvestments of distributions to holders of redeemable units	27	—
Redemption of redeemable units	(9 766)	(5 230)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(4 698)	20 633
Distributions from net income	(4 956)	(4 295)
Distributions from net gains	(27)	—
Distributions from capital	—	(253)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(4 983)	(4 548)
NET INCREASE (DECREASE) IN NAV	(24 026)	24 664
NAV AT END OF PERIOD	\$ 110 024	\$ 134 050

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure to the performance of a diversified portfolio of high-quality Canadian dividend-paying equity securities that will provide regular income and have the potential for long-term capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Canadian Equities		
Financials	36.6	42.4
Energy	18.4	20.7
Utilities	13.2	13.6
Communication Services	11.2	10.6
Industrials	5.8	2.8
Real Estate	5.4	5.4
Consumer Discretionary	4.0	0.5
Materials	4.0	3.2
Health Care	0.4	0.1
Consumer Staples	0.1	0.1
Information Technology	–	0.1
Other Net Assets	0.9	0.5
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 36-month historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite Total Return Index	+ or - 0.9	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	109 195	–	–	109 195
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	109 195	–	–	109 195
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	133 396	–	–	133 396
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	133 396	–	–	133 396
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.39% annually, before GST/HST, of the daily NAV of the ETF.

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.



December 31, 2018

Redeemable units (000s)
(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	6 300	5 300
Issued number of units	250	1 250
Reinvested number of units	1	—
Units consolidated*	(1)	—
Redeemed number of units	(500)	(250)
Ending number of units	6 050	6 300

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	109	100	81	100
Related-party brokerage commissions*	20	18	8	10
Commission arrangements†	2	2	—	—

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	2 826	4 181
Fair value of collateral received	2 882	4 265

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	23	100	68	100
RBC IS (paid)	(6)	(25)	(21)	(30)
Tax withheld	(1)	(3)	(4)	(7)
ETF revenue	16	72	43	63

Investments by other related investment funds (%)
(see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Strategic Global Dividend Leaders ETF	2.6	1.7

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC QUANT CANADIAN EQUITY LEADERS ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Communication Services				
7 004	BCE Inc.	\$ 380	\$ 378	
2 613	Rogers Communications Inc., Class B	162	183	
437	Shaw Communications Inc., Class B	11	11	
3 643	TELUS Corp.	172	165	
		725	737	5.5
Consumer Discretionary				
1 247	BRP Inc.	71	44	
163	Canadian Tire Corp. Ltd., Class A	27	23	
3 253	Dollarama Inc.	157	106	
640	Gildan Activewear Inc., Class A	24	27	
1 355	Great Canadian Gaming Corp.	56	65	
4 640	Magna International Inc., Class A	302	288	
3 011	Martinrea International Inc.	36	33	
622	Restaurant Brands International Inc.	48	44	
356	Spin Master Corp.	18	14	
		739	644	4.8
Consumer Staples				
2 769	Alimentation Couche-Tard Inc.	165	188	
5 512	Empire Co. Ltd., Class A	134	159	
854	George Weston Ltd.	91	77	
2 223	Loblaw Companies Ltd.	122	136	
105	Maple Leaf Foods Inc.	3	3	
174	Saputo Group Inc.	7	7	
		522	570	4.2
Energy				
9 220	Baytex Energy Corp.	29	22	
5 203	Cameco Corp.	69	81	
11 065	Canadian Natural Resources Ltd.	476	364	
2 231	Cenovus Energy Inc.	26	21	
9 769	Crescent Point Energy Corp.	96	40	
13 573	Enbridge Inc.	623	576	
4 642	Encana Corp.	68	37	
2 174	Enerplus Corp.	24	23	
2 099	Gibson Energy Inc.	47	39	
13 539	Gran Tierra Energy Inc.	45	40	
2 177	Imperial Oil Ltd.	92	75	
5 057	Inter Pipeline Ltd.	131	98	
4 838	Parex Resources Inc.	81	79	
1 279	Pason Systems Inc.	27	23	
4 615	Pembina Pipeline Corp.	208	187	
1 327	Precision Drilling Corp.	6	3	
12 039	Suncor Energy Inc.	491	459	
4 925	Tamarack Valley Energy Ltd.	13	12	
245	Tourmaline Oil Corp.	6	4	
4 363	TransCanada Corp.	268	213	
		2 826	2 396	17.9

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials				
696	Alaris Royalty Corp.	\$ 13	\$ 12	
5 041	Bank of Montreal	510	450	
1 976	Brookfield Asset Management Inc., Class A	95	103	
3 971	Canadian Imperial Bank of Commerce	464	404	
3 957	CI Financial Corp.	80	68	
11 719	ECN Capital Corp.	43	40	
179	Fairfax Financial Holdings Ltd.	127	108	
1 720	Genworth MI Canada Inc.	68	69	
1 413	Great-West Lifeco Inc.	44	40	
1 780	Home Capital Group Inc.	26	26	
2 249	IGM Financial Inc.	88	70	
14 760	Manulife Financial Corporation	371	286	
3 413	National Bank of Canada	221	191	
4 459	Power Financial Corp.	150	115	
10 653	Royal Bank of Canada*	1 075	995	
5 969	Sun Life Financial Inc.	309	270	
318	TMX Group Ltd.	21	22	
14 610	Toronto-Dominion Bank	1 138	991	
		4 843	4 260	31.7
Health Care				
2 962	Aurora Cannabis Inc.	25	20	
4 520	Bausch Health Co. Inc.	189	114	
896	Canopy Growth Corp.	42	33	
373	Chartwell Retirement Residences Real Estate Investment Trust	5	5	
		261	172	1.3
Industrials				
10 322	Aecon Group Inc.	176	182	
3 374	Air Canada	64	88	
2 329	CAE Inc.	45	58	
4 280	Canadian National Railway Co.	404	433	
1 108	Canadian Pacific Railway Ltd.	226	268	
828	Ritchie Bros. Auctioneers Inc.	37	37	
1 912	TFI International Inc.	73	67	
2 291	Thomson Reuters Corp.	133	151	
601	Toromont Industries Ltd.	37	33	
1 343	Waste Connections Inc.	130	136	
827	WSP Global Inc.	55	49	
		1 380	1 502	11.2
Information Technology				
1 570	CGI Group Inc., Class A	100	131	
376	Constellation Software Inc.	312	329	
815	Enghouse Systems Ltd.	49	54	
1 532	Open Text Corp.	67	68	
		528	582	4.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
13 953	B2Gold Corp.	\$ 49	\$ 56	
5 853	Barrick Gold Corp.	107	108	
2 398	Canfor Corp.	64	40	
4 227	Centerra Gold Inc.	31	25	
2 071	Detour Gold Corp.	34	24	
3 961	Fortuna Silver Mines Inc.	23	20	
11 537	Goldcorp Inc.	187	154	
5 723	Hudbay Minerals Inc.	35	37	
5 504	IAMGOLD Corporation	38	28	
1 611	Interfor Corp.	31	23	
21 768	Kinross Gold Corp.	92	96	
3 931	Kirkland Lake Gold Ltd.	99	140	
3 267	Lundin Mining Corp.	24	18	
1 200	Methanex Corp.	74	79	
3 039	Norbord Inc.	125	110	
3 024	Nutrien Ltd.	173	194	
13 335	OceanaGold Corp.	47	66	
3 611	Pan American Silver Corp.	65	72	
5 945	Teck Resources Ltd., Class B	154	175	
2 629	Torex Gold Resources Inc.	21	34	
528	West Fraser Timber Co. Ltd.	30	36	
15 817	Yamana Gold Inc.	64	51	
		1 567	1 586	11.8

Real Estate				
2 500	Artis Real Estate Investment Trust	30	23	
609	Boardwalk Real Estate Investment Trust	25	23	
1 395	Canadian Apartment Properties Real Estate Investment Trust	44	62	
5 234	Dream Global Real Estate Investment Trust	72	62	
1 647	Dream Office Real Estate Investment Trust	40	37	
114	FirstService Corp.	11	11	
1 889	Granite Real Estate Investment Trust	102	101	
999	Northview Apartment Real Estate Investment Trust	21	24	
2 776	RioCan Real Estate Investment Trust	64	66	
1 529	SmartCentres Real Estate Investment Trust	43	47	
		452	456	3.4

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities				
2 261	Brookfield Infrastructure Partners LP	\$ 120	\$ 107	
2 558	Brookfield Renewable Partners LP	99	90	
3 702	Capital Power Corp.	99	97	
324	Fortis Inc.	15	15	
218	Hydro One Ltd.	5	4	
2 082	Northland Power Inc.	48	45	
14 629	TransAlta Corp.	100	82	
981	TransAlta Renewables Inc.	11	10	
		497	450	3.4
TOTAL CANADIAN EQUITIES		14 340	13 355	99.5
Less: Transaction costs		(3)	—	—
TOTAL INVESTMENTS		\$ 14 337	13 355	99.5
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			65	0.5
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$ 13 420	100.0

* Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 13 355	\$ 13 889
Cash	71	102
Dividends receivable, interest accrued and other assets	42	45
TOTAL ASSETS	13 468	14 036
LIABILITIES		
Distributions payable	43	76
Accounts payable and accrued expenses	5	5
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	48	81
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 13 420	\$ 13 955
Investments at cost	\$ 14 337	\$ 13 071
NAV PER UNIT	\$ 19.17	\$ 21.47

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 402	\$ 345
Income from investment trusts	16	7
Net realized gain (loss) on investments	265	487
Change in unrealized gain (loss) on investments	(1 800)	245
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(1 117)	1 084
Securities lending revenue (see note 8 in the generic notes)	2	2
TOTAL OTHER INCOME (LOSS)	2	2
TOTAL INCOME (LOSS)	(1 115)	1 086
EXPENSES (see notes – ETF Specific Information)		
Management fees	58	46
GST/HST	6	5
Transaction costs	10	7
TOTAL EXPENSES	74	58
INCREASE (DECREASE) IN NAV	\$ (1 189)	\$ 1 028
INCREASE (DECREASE) IN NAV PER UNIT	\$ (1.67)	\$ 1.80



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 189)	\$ 1 028
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	(265)	(487)
Change in unrealized loss (gain) on investments	1 800	(245)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	3	(15)
Increase (decrease) in accrued payables	—	1
Cost of investments purchased*	(15 254)	(10 583)
Proceeds from sale and maturity of investments*	15 240	10 595
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	335	294
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	4	18
Cash paid on redemption of redeemable units*	(2)	(3)
Distributions paid to holders of redeemable units	(368)	(261)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (366)	\$ (246)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	(31)	48
Cash (bank overdraft), beginning of period	102	54
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 71	\$ 102
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ 405	\$ 330

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 13 955	\$ 9 078
INCREASE (DECREASE) IN NAV	(1 189)	1 028
Early redemption fees	—	—
Proceeds from redeemable units issued	2 057	5 190
Reinvestments of distributions to holders of redeemable units	293	328
Redemption of redeemable units	(1 068)	(1 043)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 282	4 475
Distributions from net income	(335)	(271)
Distributions from net gains	(293)	(354)
Distributions from capital	—	(1)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(628)	(626)
NET INCREASE (DECREASE) IN NAV	(535)	4 877
NAV AT END OF PERIOD	\$ 13 420	\$ 13 955

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with broad exposure to the performance of a diversified portfolio of high-quality Canadian equity securities that have the potential for long-term capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Canadian Equities		
Financials	31.7	34.4
Energy	17.9	15.1
Materials	11.8	11.4
Industrials	11.2	9.5
Communication Services	5.5	4.5
Consumer Discretionary	4.8	5.9
Information Technology	4.3	3.0
Consumer Staples	4.2	3.6
Utilities	3.4	8.2
Real Estate	3.4	3.1
Health Care	1.3	0.8
Other Net Assets	0.5	0.5
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 36-month (December 31, 2017 – 31-month) historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite Total Return Index	+ or - 1.0	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	13 355	–	–	13 355
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	13 355	–	–	13 355
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	13 889	–	–	13 889
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	13 889	–	–	13 889
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.39% annually, before GST/HST, of the daily NAV of the ETF.

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.



December 31, 2018

Redeemable units (000s)
(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	650	450
Issued number of units	100	250
Reinvested number of units	15	15
Units consolidated*	(15)	(15)
Redeemed number of units	(50)	(50)
Ending number of units	700	650

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	10	100	7	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements†	–	–	–	–

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	694	1 142
Fair value of collateral received	708	1 165

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	3	100	3	100
RBC IS (paid)	(1)	(25)	(1)	(28)
Tax withheld	–	(7)	–	(8)
ETF revenue	2	68	2	64

Investments by other related investment funds (%)
(see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Strategic Global Equity Leaders ETF	8.5	5.8

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN EQUITY INDEX ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Communication Services				
6 747	BCE Inc.	\$ 380	\$ 364	
499	Cineplex Inc.	17	13	
183	Cogeco Communications Inc.	14	12	
891	Corus Entertainment Inc., Class B	8	4	
928	Quebecor Inc., Class B	23	27	
2 819	Rogers Communications Inc., Class B	179	197	
3 447	Shaw Communications Inc., Class B	92	85	
4 684	TELUS Corp.	213	212	
		926	914	6.0
Consumer Discretionary				
326	BRP Inc.	19	12	
447	Canada Goose Holdings Inc.	34	27	
471	Canadian Tire Corp. Ltd., Class A	74	67	
2 567	Dollarama Inc.	118	83	
208	Dorel Industries, Class B	5	4	
1 615	Gildan Activewear Inc., Class A	62	67	
464	Great Canadian Gaming Corp.	19	22	
800	Hudson's Bay Co.	9	6	
368	Linamar Corp.	24	17	
2 564	Magna International Inc., Class A	177	159	
688	Martinrea International Inc.	9	7	
1 863	Restaurant Brands International Inc.	141	133	
1 168	The Stars Group Inc	38	26	
		729	630	4.1
Consumer Staples				
3 349	Alimentation Couche-Tard Inc.	203	227	
1 081	Cott Corporation	21	21	
1 352	Empire Co. Ltd., Class A	33	39	
560	George Weston Ltd.	56	50	
1 476	Loblaw Companies Ltd.	81	90	
620	Maple Leaf Foods Inc.	20	17	
1 883	Metro Inc., Class A	79	89	
225	Premium Brands Holdings Corp.	23	17	
1 715	Saputo Group Inc.	73	67	
384	The North West Co. Inc.	11	12	
		600	629	4.1
Energy				
1 450	Advantage Oil & Gas Ltd.	7	3	
2 796	ARC Resources Ltd.	40	23	
4 183	Baytex Energy Corp.	18	10	
2 076	Birchcliff Energy Ltd.	10	6	
3 075	Cameco Corp.	40	48	
9 349	Canadian Natural Resources Ltd.	382	308	
8 056	Cenovus Energy Inc.	92	77	
1 970	CES Energy Solutions Corp.	10	6	
4 316	Crescent Point Energy Corp.	37	18	

Holdings	Security	Cost	Fair Value	% of Net Assets
Energy (cont.)				
15 682	Enbridge Inc.	\$ 704	\$ 665	
7 473	Encana Corp.	102	59	
704	Enerflex Ltd.	11	11	
1 921	Enerplus Corp.	25	20	
1 010	Ensign Energy Services Inc.	6	5	
1 128	Gibson Energy Inc.	20	21	
3 068	Gran Tierra Energy Inc.	10	9	
2 442	Husky Energy Inc.	41	34	
1 892	Imperial Oil Ltd.	72	65	
3 051	Inter Pipeline Ltd.	71	59	
1 169	Kelt Exploration Ltd.	8	5	
1 622	Keyera Corp.	56	42	
1 920	MEG Energy Corp.	12	15	
798	Mullen Group Ltd.	12	10	
1 321	Nuvista Energy Ltd.	10	5	
3 993	Obsidian Energy Ltd.	5	2	
575	Paramount Resources Ltd., Class A	10	4	
1 170	Parex Resources Inc.	21	19	
1 030	Parkland Fuel Corp.	31	36	
585	Pason Systems Inc.	11	11	
3 944	Pembina Pipeline Corp.	168	160	
1 273	Peyto Exploration & Development Corp.	18	9	
1 859	PrairieSky Royalty Ltd.	51	33	
2 329	Precision Drilling Corp.	9	6	
1 237	Secure Energy Services Inc.	10	9	
2 179	Seven Generations Energy Ltd.	35	24	
560	ShawCor Ltd.	14	9	
12 857	Suncor Energy Inc.	578	490	
1 084	TORC Oil & Gas Ltd.	7	5	
1 990	Tourmaline Oil Corp.	45	34	
7 134	TransCanada Corp.	408	348	
1 080	Vermilion Energy Inc.	46	31	
3 277	Whitecap Resources Inc.	27	14	
		3 290	2 768	18.1
Financials				
5 077	Bank of Montreal	489	453	
9 700	Bank of Nova Scotia	745	660	
6 656	Brookfield Asset Management Inc., Class A	341	348	
3 493	Canadian Imperial Bank of Commerce	391	355	
697	Canadian Western Bank	23	18	
1 857	CI Financial Corp.	47	32	
2 397	ECN Capital Corp.	9	8	
3 356	Element Fleet Management Corp.	24	23	
212	Fairfax Financial Holdings Ltd.	139	127	
128	First National Financial Corp.	4	4	
311	Genworth MI Canada Inc.	12	13	
2 187	Great-West Lifeco Inc.	72	62	
597	Home Capital Group Inc.	9	9	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
659	IGM Financial Inc.	\$ 26	\$ 20	
852	Industrial Alliance Insurance & Financial Services Inc.	45	37	
1 089	Intact Financial Corp.	109	108	
319	Laurentian Bank of Canada	16	12	
15 604	Manulife Financial Corporation	371	302	
2 647	National Bank of Canada	159	148	
654	Onex Corporation	60	49	
3 028	Power Corporation of Canada	89	74	
1 923	Power Financial Corp.	62	50	
11 364	Royal Bank of Canada*	1 099	1 062	
4 780	Sun Life Financial Inc.	238	216	
432	TMX Group Ltd.	32	31	
14 513	Toronto-Dominion Bank	1 038	985	
		5 649	5 206	34.1
Health Care				
1 577	Aphria Inc.	18	12	
5 950	Aurora Cannabis Inc.	45	40	
2 703	Bausch Health Co. Inc.	63	68	
1 385	Canopy Growth Corp.	47	51	
1 684	Chartwell Retirement Residences Real Estate Investment Trust	25	23	
		198	194	1.3
Industrials				
457	Aecon Group Inc.	8	8	
2 147	Air Canada	53	56	
594	ATS Automation Tooling Systems	10	9	
16 596	Bombardier Inc., Class B	54	34	
154	Boyd Group Income Fund	20	17	
2 108	CAE Inc.	49	53	
5 782	Canadian National Railway Co.	595	585	
1 126	Canadian Pacific Railway Ltd.	253	273	
1 337	Finning International Inc.	39	32	
449	Maxar Technologies Ltd.	27	7	
449	NFI Group Inc.	23	15	
850	Ritchie Bros. Auctioneers Inc.	35	38	
489	Russel Metals Inc.	13	10	
1 386	SNC-Lavalin Group Inc.	74	64	
896	Stantec Inc.	30	27	
658	TFI International Inc.	23	23	
1 564	Thomson Reuters Corp.	89	103	
624	Toromont Industries Ltd.	35	34	
578	Transcontinental Inc., Class A	15	11	
2 061	Waste Connections Inc.	190	209	
367	Westshore Terminals Investment Corp.	9	8	
811	WSP Global Inc.	48	48	
		1 692	1 664	10.9
Information Technology				
3 870	BlackBerry Ltd.	50	38	
981	Celestica Inc.	14	12	
1 972	CGI Group Inc., Class A	143	165	
157	Constellation Software Inc.	131	137	
608	Descartes Systems Group Inc.	22	22	
146	Enghouse Systems Ltd.	9	10	

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology (cont.)				
194	Kinaxis Inc.	\$ 15	\$ 13	
2 022	Open Text Corp.	88	90	
265	Sierra Wireless Inc.	6	5	
		478	492	3.2
Materials				
1 830	Agnico Eagle Mines Ltd.	103	101	
1 041	Alacer Gold Corp.	2	3	
3 018	Alamos Gold Inc., Class A	23	15	
7 577	B2Gold Corp.	26	30	
13 658	Barrick Gold Corp.	249	252	
505	Canfor Corp.	13	8	
528	Cascades Inc.	7	5	
1 148	CCL Industries, Class B	68	57	
1 705	Centerra Gold Inc.	12	10	
1 921	China Gold International Resources Corp Ltd.	4	3	
1 392	Detour Gold Corp.	18	16	
1 262	Eldorado Gold Corp.	12	5	
556	Endeavour Mining Corp.	13	12	
1 290	First Majestic Silver Corp.	11	10	
5 376	First Quantum Minerals Ltd.	85	59	
1 435	Franco-Nevada Corp.	136	137	
6 812	Goldcorp Inc.	111	91	
1 881	Hudbay Minerals Inc.	16	12	
3 692	IAMGOLD Corporation	27	18	
4 859	Ivanhoe Mines Ltd., Class A	16	12	
9 710	Kinross Gold Corp.	49	43	
1 468	Kirkland Lake Gold Ltd.	32	52	
5 016	Lundin Mining Corp.	40	28	
611	Methanex Corp.	45	40	
2 355	Nevsun Resources Ltd.	9	14	
4 524	New Gold Inc.	15	5	
410	Norbord Inc.	19	15	
1 856	Novagold Resources Inc.	10	10	
4 810	Nutrien Ltd.	298	308	
4 876	OceanaGold Corp.	17	24	
1 233	Osisko Gold Royalties Ltd.	17	15	
1 187	Pan American Silver Corp.	25	24	
1 355	Pretium Resources Inc.	14	16	
2 586	Semafo Inc.	9	8	
954	SSR Mining Inc.	12	16	
441	Stella-Jones Inc.	20	17	
2 428	Tahoe Resources Inc.	15	12	
3 990	Teck Resources Ltd., Class B	122	117	
646	Torex Gold Resources Inc.	10	8	
7 909	Turquoise Hill Resources Ltd.	28	18	
521	West Fraser Timber Co. Ltd.	40	35	
3 476	Wheaton Precious Metals Corp.	88	93	
240	Wipak Ltd.	11	11	
7 541	Yamana Gold Inc.	27	24	
		1 924	1 809	11.8
Real Estate				
791	Allied Properties Real Estate Investment Trust	32	35	
1 090	Artis Real Estate Investment Trust	13	10	
304	Boardwalk Real Estate Investment Trust	13	11	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate (cont.)				
1 135	Canadian Apartment Properties Real Estate Investment Trust	\$ 43	\$ 50	
1 794	Choice Properties Real Estate Investment Trust	20	21	
272	Colliers International Group Inc.	21	20	
1 455	Cominar Real Estate Investment Trust	18	16	
1 404	Dream Global Real Estate Investment Trust	19	17	
377	Dream Office Real Estate Investment Trust	9	8	
1 190	First Capital Realty Inc.	24	22	
240	FirstService Corp.	21	22	
368	Granite Real Estate Investment Trust	19	20	
2 254	H&R Real Estate Investment Trust	47	47	
206	Morguard Real Estate Investment Trust	3	2	
348	Northview Apartment Real Estate Investment Trust	8	9	
2 400	RioCan Real Estate Investment Trust	58	57	
927	SmartCentres Real Estate Investment Trust	28	29	
		396	396	2.6
Utilities				
3 647	Algonquin Power & Utilities Corp.	48	50	
2 063	AltaGas Ltd.	49	29	
592	Atco Ltd., Class 1, Non-Voting	25	23	
937	Canadian Utilities Ltd., Class A	33	29	
800	Capital Power Corp.	20	21	
1 811	Emera Inc.	79	79	
3 332	Fortis Inc.	146	153	
2 458	Hydro One Ltd.	52	51	
984	Innervex Renewable Energy Inc.	14	13	
778	Just Energy Group Inc.	4	4	
892	Northland Power Inc.	21	19	
1 136	Superior Plus Corp.	14	11	
2 292	TransAlta Corp.	16	13	
724	TransAlta Renewables Inc.	9	8	
		530	503	3.3
TOTAL CANADIAN EQUITIES		16 412	15 205	99.5
Less: Transaction costs		—	—	—
TOTAL INVESTMENTS		\$ 16 412	15 205	99.5
OTHER NET ASSETS ATTRIBUTABLE TO				
HOLDERS OF REDEEMABLE UNITS				
NET ASSETS ATTRIBUTABLE TO				
HOLDERS OF REDEEMABLE UNITS				
		\$ 71	71	0.5
		\$ 15 276	15 276	100.0

* Investment in related party (see note 9 in the generic notes).

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 15 205	\$ 8 550
Cash	115	34
Due from investment dealers	86	12
Subscriptions receivable	–	1 072
Dividends receivable, interest accrued and other assets	47	19
TOTAL ASSETS	15 453	9 687
LIABILITIES		
Due to investment dealers	78	1 072
Distributions payable	98	34
Accounts payable and accrued expenses	1	–
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	177	1 106
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 15 276	\$ 8 581
Investments at cost	\$ 16 412	\$ 8 111
NAV PER UNIT	\$ 19.09	\$ 21.45

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 385	\$ 61
Income from investment trusts	8	1
Net realized gain (loss) on investments	141	3
Change in unrealized gain (loss) on investments	(1 646)	439
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(1 112)	504
Securities lending revenue (see note 8 in the generic notes)	5	–
TOTAL OTHER INCOME (LOSS)	5	–
TOTAL INCOME (LOSS)	(1 107)	504
EXPENSES (see notes – ETF Specific Information)		
Management fees	6	1
GST/HST	1	–
TOTAL EXPENSES	7	1
INCREASE (DECREASE) IN NAV	\$ (1 114)	\$ 503
INCREASE (DECREASE) IN NAV PER UNIT	\$ (1.83)	\$ 1.50



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 114)	\$ 503
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	(141)	(3)
Change in unrealized loss (gain) on investments	1 646	(439)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	(28)	(19)
Increase (decrease) in accrued payables	1	—
Cost of investments purchased*	(587)	(66)
Proceeds from sale and maturity of investments*	586	44
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	363	20
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	4	14
Cash paid on redemption of redeemable units*	(1)	—
Distributions paid to holders of redeemable units	(285)	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (282)	\$ 14
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	81	34
Cash (bank overdraft), beginning of period	34	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 115	\$ 34
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ 357	\$ 42

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 8 581	\$ —
INCREASE (DECREASE) IN NAV	(1 114)	503
Early redemption fees	—	—
Proceeds from redeemable units issued	10 347	8 112
Reinvestments of distributions to holders of redeemable units	194	—
Redemption of redeemable units	(2 189)	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	8 352	8 112
Distributions from net income	(340)	(34)
Distributions from net gains	(194)	—
Distributions from capital	(9)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(543)	(34)
NET INCREASE (DECREASE) IN NAV	6 695	8 581
NAV AT END OF PERIOD	\$ 15 276	\$ 8 581



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to replicate, to the extent possible and before fees and expenses, the performance of a broad Canadian equity index. Currently, the ETF seeks to track the FTSE Canada All Cap Domestic Index (or any successor thereto).

The ETF was started August 9, 2017.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Canadian Equities		
Financials	34.1	36.2
Energy	18.1	20.3
Materials	11.8	11.3
Industrials	10.9	9.5
Communication Services	6.0	4.8
Consumer Discretionary	4.1	5.3
Consumer Staples	4.1	3.8
Utilities	3.3	2.8
Information Technology	3.2	2.7
Real Estate	2.6	2.3
Health Care	1.3	0.6
Other Net Assets	0.5	0.4
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 15-month historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018
S&P/TSX Capped Composite Total Return Index	+ or - 1.0

Due to the fact that the ETF was in existence for less than six months prior to December 31, 2017, no comparative disclosure is provided because there is insufficient data, and any resulting calculation of the impact on the NAV of the ETF using historical correlation between the ETF's return and a broad-based index could be materially misleading.

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	15 205	–	–	15 205
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	15 205	–	–	15 205
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	8 550	–	–	8 550
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	8 550	–	–	8 550
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.05% annually, before GST/HST, of the daily NAV of the ETF.

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.



December 31, 2018

Redeemable units (000s)
(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	400	—
Issued number of units	500	400
Reinvested number of units	10	—
Units consolidated*	(10)	—
Redeemed number of units	(100)	—
Ending number of units	800	400

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	1 464	679
Fair value of collateral received	1 493	692

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	7	100	—	100
RBC IS (paid)	(2)	(25)	—	(25)
Tax withheld	—	(4)	—	(12)
ETF revenue	5	71	—	63

Subsequent event

RBC GAM has called and will hold a special meeting of unitholders of the ETF on March 22, 2019. Subject to unitholder and regulatory approvals, the ETF will be merged into the iShares Core S&P/TSX Capped Composite Index ETF, an ETF managed by BlackRock Asset Management Canada Limited, effective on or about April 5, 2019. The ETF will terminate following completion of the merger.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC VISION WOMEN'S LEADERSHIP MSCI CANADA INDEX ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Communication Services				
18 350	BCE Inc.	\$ 1 040	\$ 990	
7 642	Cineplex Inc.	245	194	
2 004	Cogeco Communications Inc.	143	132	
14 988	Corus Entertainment Inc., Class B	94	71	
18 839	Quebecor Inc., Class B	471	541	
43 636	Rogers Communications Inc., Class B	2 691	3 053	
23 641	TELUS Corp.	1 113	1 070	
		5 797	6 051	3.3
Consumer Discretionary				
58 843	Gildan Activewear Inc., Class A	2 222	2 438	
33 579	Hudson's Bay Co.	350	245	
91 771	Magna International Inc., Class A	6 305	5 687	
		8 877	8 370	4.6
Consumer Staples				
45 870	Alimentation Couche-Tard Inc.	2 886	3 115	
18 305	Empire Co. Ltd., Class A	439	528	
8 072	George Weston Ltd.	817	727	
3 980	Jamieson Wellness Inc.	99	85	
19 680	Loblaw Companies Ltd.	1 046	1 203	
8 616	Maple Leaf Foods Inc.	274	235	
25 501	Metro Inc., Class A	1 045	1 207	
24 470	Saputo Group Inc.	995	959	
5 128	The North West Co. Inc.	145	161	
		7 746	8 220	4.5
Energy				
37 312	Birchcliff Energy Ltd.	179	113	
58 165	Cameco Corp.	793	900	
297 592	Enbridge Inc.	12 190	12 621	
36 034	Enerplus Corp.	506	383	
41 299	Imperial Oil Ltd.	1 459	1 429	
56 984	Inter Pipeline Ltd.	1 370	1 102	
30 696	Keyera Corp.	1 001	792	
74 054	Pembina Pipeline Corp.	3 057	3 000	
239 176	Suncor Energy Inc.	10 090	9 120	
133 453	TransCanada Corp.	7 419	6 506	
		38 064	35 966	19.6
Financials				
6 709	AGF Management Ltd., Class B	45	32	
67 090	Bank of Montreal	6 512	5 984	
129 285	Bank of Nova Scotia	10 268	8 798	
88 372	Brookfield Asset Management Inc., Class A	4 550	4 624	
46 517	Canadian Imperial Bank of Commerce	5 445	4 730	
9 359	Canadian Western Bank	336	244	
31 108	Great-West Lifeco Inc.	948	877	
6 336	Home Capital Group Inc.	112	91	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
8 873	IGM Financial Inc.	\$ 352	\$ 275	
11 538	Industrial Alliance Insurance & Financial Services Inc.	620	503	
14 594	Intact Financial Corp.	1 446	1 448	
4 405	Laurentian Bank of Canada	216	168	
208 216	Manulife Financial Corporation	4 989	4 033	
35 393	National Bank of Canada	2 224	1 984	
9 017	Onex Corporation	842	670	
151 107	Royal Bank of Canada*	15 249	14 119	
18 572	Sprott Inc.	60	48	
63 699	Sun Life Financial Inc.	3 440	2 885	
4 984	TMX Group Ltd.	385	353	
191 629	Toronto-Dominion Bank	14 518	13 004	
		72 557	64 870	35.3
Health Care				
89 585	Extendicare Inc.	772	569	
116 174	Knight Therapeutics Inc.	947	893	
66 794	Sienna Senior Living Inc.	1 174	1 051	
77 946	Theratechnologies Inc.	640	649	
		3 533	3 162	1.7
Industrials				
9 348	ATS Automation Tooling Systems	159	135	
260 002	Bombardier Inc., Class B	940	528	
90 713	Canadian National Railway Co.	8 833	9 172	
17 637	Canadian Pacific Railway Ltd.	4 141	4 272	
4 322	Chorus Aviation Inc.	35	24	
980	Exchange Income Corp.	31	28	
20 890	Finning International Inc.	660	497	
7 947	Morneau Shepell Inc.	200	199	
13 438	Ritchie Bros. Auctioneers Inc.	584	600	
7 710	Russel Metals Inc.	220	164	
21 717	SNC-Lavalin Group Inc.	1 206	997	
14 142	Stantec Inc.	461	423	
9 171	Transcontinental Inc., Class A	248	177	
12 930	WSP Global Inc.	790	759	
		18 508	17 975	9.8
Information Technology				
180 846	Open Text Corp.	8 826	8 048	
		8 826	8 048	4.4
Materials				
54 442	Agnico Eagle Mines Ltd.	2 693	3 000	
16 661	Cascades Inc.	235	170	
34 834	CCL Industries, Class B	2 257	1 744	
61 016	Hudbay Minerals Inc.	576	394	
129 327	Ivanhoe Mines Ltd., Class A	309	307	
292 000	Kinross Gold Corp.	1 327	1 285	
74 419	Lucara Diamond Corp.	163	110	
14 946	Methanex Corp.	1 102	981	
135 825	New Gold Inc.	372	143	
143 879	Nutrien Ltd.	9 545	9 226	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials (cont.)				
11 395	Stella-Jones Inc.	\$ 532	\$ 451	
119 371	Teck Resources Ltd., Class B	4 122	3 508	
221 624	Yamana Gold Inc.	791	711	
		<u>24 024</u>	<u>22 030</u>	12.0
Real Estate				
15 682	Allied Properties Real Estate Investment Trust	680	695	
12 546	Altus Group Ltd.	391	297	
14 082	Crombie Real Estate Investment Trust	185	176	
14 160	Dream Industrial Real Estate Investment Trust	130	135	
9 434	Dream Office Real Estate Investment Trust	204	210	
23 563	Dream Unlimited Corp.	188	161	
56 625	First Capital Realty Inc.	1 152	1 067	
48 525	RioCan Real Estate Investment Trust	1 166	1 155	
		<u>4 096</u>	<u>3 896</u>	2.1
Utilities				
48 693	Algonquin Power & Utilities Corp.	638	669	
27 581	AltaGas Ltd.	399	383	
7 891	Atco Ltd., Class I, Non-Voting	328	305	
7 391	Boralex Inc., Class A	158	124	
13 352	Canadian Utilities Ltd., Class A	447	418	
10 643	Capital Power Corp.	265	283	
6 008	Emera Inc.	245	263	
43 831	Fortis Inc.	1 867	1 995	
33 771	Hydro One Ltd.	692	684	
11 849	Northland Power Inc.	261	257	
18 122	Superior Plus Corp.	230	175	
29 779	TransAlta Corp.	219	166	
4 061	Valener Inc.	83	79	
		<u>5 832</u>	<u>5 801</u>	3.2
TOTAL CANADIAN EQUITIES		<u>197 860</u>	<u>184 389</u>	100.5
Less: Transaction costs		<u>(16)</u>	<u>—</u>	—
TOTAL INVESTMENTS		<u>\$ 197 844</u>	<u>184 389</u>	100.5
OTHER NET ASSETS (LIABILITIES)				
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			<u>(443)</u>	(0.5)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		<u>\$ 183 946</u>	<u>183 946</u>	100.0

* Investment in related party (see note 9 in the generic notes).



Statement of Financial Position

(in \$000s except per unit amounts)

	December 31 2018
(see note 2 in the generic notes)	
ASSETS	
Investments at fair value	\$ 184 389
Cash	171
Due from investment dealers	941
Dividends receivable, interest accrued and other assets	549
TOTAL ASSETS	186 050
LIABILITIES	
Due to investment dealers	103
Redemptions payable	942
Distributions payable	1 014
Accounts payable and accrued expenses	45
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	2 104
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 183 946
Investments at cost	\$ 197 844
NAV PER UNIT	\$ 18.96

Statement of Comprehensive Income

(in \$000s except per unit amounts)

	For the period ended December 31 (see note 2 in the generic notes) 2018
INCOME (see note 3 in the generic notes)	
Dividends	\$ 5 393
Income from investment trusts	76
Net realized gain (loss) on investments	825
Change in unrealized gain (loss) on investments	(13 455)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(7 161)
Securities lending revenue (see note 8 in the generic notes)	18
TOTAL OTHER INCOME (LOSS)	18
TOTAL INCOME (LOSS)	(7 143)
EXPENSES (see notes – ETF Specific Information)	
Management fees	415
GST/HST	56
Transaction costs	47
TOTAL EXPENSES	518
INCREASE (DECREASE) IN NAV	\$ (7 661)
INCREASE (DECREASE) IN NAV PER UNIT	\$ (0.80)



Statement of Cash Flow *(in \$000s)*

For the period ended December 31
(see note 2 in the generic notes)

2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (decrease) in NAV \$ (7 661)

ADJUSTMENTS TO RECONCILE NET CASH

PROVIDED BY (USED IN) OPERATIONS

Interest for distribution purposes —

Net unrealized foreign exchange (gain) loss
on cash —

Net realized loss (gain) on investments (825)

Change in unrealized loss (gain) on investments 13 455

Non-cash distributions from underlying funds —

(Increase) decrease in accrued receivables (549)

Increase (decrease) in accrued payables 45

Cost of investments purchased* (43 762)

Proceeds from sale and maturity of investments* 42 544

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES 3 247

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of redeemable units* 48

Cash paid on redemption of redeemable units* (4)

Distributions paid to holders of redeemable units (3 120)

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES \$ (3 076)

Net unrealized foreign exchange gain (loss)
on cash —

Net increase (decrease) in cash for the period 171

Cash (bank overdraft), beginning of period —

CASH (BANK OVERDRAFT), END OF PERIOD \$ 171

Interest received (paid) \$ —

Income received from investment trusts \$ —

Dividends received, net of withholding taxes \$ 4 844

* Excludes in-kind transactions.



Statement of Changes in NAV *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —
INCREASE (DECREASE) IN NAV	(7 661)
Early redemption fees	—
Proceeds from redeemable units issued	204 850
Reinvestments of distributions to holders of redeemable units	1 287
Redemption of redeemable units	(9 109)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	197 028
Distributions from net income	(4 098)
Distributions from net gains	(1 287)
Distributions from capital	(36)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(5 421)
NET INCREASE (DECREASE) IN NAV	183 946
NAV AT END OF PERIOD	\$ 183 946



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to replicate, to the extent possible and before fees and expenses, the performance of a broad Canadian equity markets index with a focus on companies domiciled in Canada that have demonstrated commitment to gender diversity as part of their corporate social responsibility strategy. Currently, the ETF seeks to track the MSCI Canada IMI Women's Leadership Select Index (or any successor thereto).

The ETF was started February 27, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018
Canadian Equities	
Financials	35.3
Energy	19.6
Materials	12.0
Industrials	9.8
Consumer Discretionary	4.6
Consumer Staples	4.5
Information Technology	4.4
Communication Services	3.3
Utilities	3.2
Real Estate	2.1
Health Care	1.7
Other Net Assets	(0.5)
Total	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 9-month historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018
MSCI Canada IMI Women's Leadership Select Index	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	184 389	–	–	184 389
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	184 389	–	–	184 389
% of total portfolio	100.0	–	–	100.0

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.25% annually, before GST/HST, of the daily NAV of the ETF.

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the period ended December 31 (see note 2 in the generic notes)	2018
Opening units	–
Issued number of units	10 150
Reinvested number of units	68
Units consolidated*	(68)
Redeemed number of units	(450)
Ending number of units	9 700

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.



December 31, 2018

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the period ended:

	December 31 2018	
	\$	%
Total transaction costs	47	100
Related-party brokerage commissions*	19	40
Commission arrangements†	–	–

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018
Fair value of securities loaned	12 188
Fair value of collateral received	12 432

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statement of Comprehensive Income.

	December 31 2018	
	\$	%
Gross revenue	25	100
RBC IS (paid)	(7)	(25)
Tax withheld	–	(1)
ETF revenue	18	74



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN BANK YIELD INDEX ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Financials				
44 884	Bank of Montreal	\$ 4 519	\$ 4 003	
187 547	Bank of Nova Scotia	14 349	12 763	
116 566	Canadian Imperial Bank of Commerce	13 498	11 852	
147 781	National Bank of Canada	9 177	8 283	
92 115	Royal Bank of Canada*	8 957	8 607	
60 478	Toronto-Dominion Bank	4 483	4 105	
TOTAL CANADIAN EQUITIES		54 983	49 613	99.1
Less: Transaction costs		(1)	—	—
TOTAL INVESTMENTS		<u>\$ 54 982</u>	49 613	99.1
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			451	0.9
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 50 064</u>	100.0

* Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 49 613	\$ 19 653
Cash	217	80
Subscriptions receivable	910	–
Dividends receivable, interest accrued and other assets	407	130
TOTAL ASSETS	51 147	19 863
LIABILITIES		
Due to investment dealers	907	–
Distributions payable	162	54
Accounts payable and accrued expenses	14	5
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 083	59
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 50 064	\$ 19 804
Investments at cost	\$ 54 982	\$ 19 442
NAV PER UNIT	\$ 18.21	\$ 20.85

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 1 674	\$ 139
Net realized gain (loss) on investments	(1 014)	13
Change in unrealized gain (loss) on investments	(5 581)	211
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(4 921)	363
Securities lending revenue (see note 8 in the generic notes)	1	–
TOTAL OTHER INCOME (LOSS)	1	–
TOTAL INCOME (LOSS)	(4 920)	363
EXPENSES (see notes – ETF Specific Information)		
Management fees	106	7
GST/HST	12	1
Transaction costs	2	–
TOTAL EXPENSES	120	8
INCREASE (DECREASE) IN NAV	\$ (5 040)	\$ 355
INCREASE (DECREASE) IN NAV PER UNIT	\$ (2.76)	\$ 0.74



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (5 040)	\$ 355
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	1 014	(13)
Change in unrealized loss (gain) on investments	5 581	(211)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	(277)	(130)
Increase (decrease) in accrued payables	9	5
Cost of investments purchased*	(11 980)	(714)
Proceeds from sale and maturity of investments*	12 156	794
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	1 463	86
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	27	30
Cash paid on redemption of redeemable units*	(75)	(9)
Distributions paid to holders of redeemable units	(1 278)	(27)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (1 326)	\$ (6)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	137	80
Cash (bank overdraft), beginning of period	80	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 217	\$ 80
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ 1 397	\$ 9

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 19 804	\$ —
INCREASE (DECREASE) IN NAV	(5 040)	355
Early redemption fees	—	—
Proceeds from redeemable units issued	72 671	19 530
Reinvestments of distributions to holders of redeemable units	36	—
Redemption of redeemable units	(35 985)	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	36 722	19 530
Distributions from net income	(1 386)	(2)
Distributions from net gains	(36)	(12)
Distributions from capital	—	(67)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 422)	(81)
NET INCREASE (DECREASE) IN NAV	30 260	19 804
NAV AT END OF PERIOD	\$ 50 064	\$ 19 804



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to replicate, to the extent possible and before fees and expenses, the performance of a portfolio of Canadian bank stocks. Currently, the ETF seeks to track the Solactive Canada Bank Yield Index (or any successor thereto).

The ETF was started October 13, 2017.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Canadian Equities		
Financials	99.1	99.2
Other Net Assets	0.9	0.8
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 14-month historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018
S&P/TSX Capped Composite Banking	
Total Return Index	+ or - 1.0

Due to the fact that the ETF was in existence for less than six months prior to December 31, 2017, no comparative disclosure is provided because there is insufficient data, and any resulting calculation of the impact on the NAV of the ETF using historical correlation between the ETF's return and a broad-based index could be materially misleading.

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	49 613	–	–	49 613
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	49 613	–	–	49 613
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	19 653	–	–	19 653
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	19 653	–	–	19 653
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.29% annually, before GST/HST, of the daily NAV of the ETF.

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.



December 31, 2018

Redeemable units (000s)
(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	950	—
Issued number of units	3 600	950
Reinvested number of units	2	—
Units consolidated*	(2)	—
Redeemed number of units	(1 800)	—
Ending number of units	2 750	950

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	2	100	—	—
Related-party brokerage commissions*	2	100	—	—
Commission arrangements†	—	—	—	—

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	—	—
Fair value of collateral received	—	—

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	1	100	—	—
RBC IS (paid)	—	(25)	—	—
Tax withheld	—	—	—	—
ETF revenue	1	75	—	—

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC QUANT U.S. DIVIDEND LEADERS ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNITED STATES EQUITIES				
Communication Services				
190 025	AT&T Inc.	\$ 8 177	\$ 7 407	
141 524	Comcast Corp., Class A	6 602	6 582	
8 021	John Wiley & Sons Inc., Class A	620	515	
42 111	Spok Holdings Inc.	849	763	
35 704	TEGNA Inc.	540	530	
102 369	Verizon Communications Inc.	6 390	7 860	
22 315	Viacom Inc.	910	783	
		24 088	24 440	5.9
Consumer Discretionary				
23 218	American Eagle Outfitters	506	613	
12 160	Best Buy Co. Inc.	1 054	880	
15 914	Carnival Corp.	1 279	1 072	
28 863	Dana Inc.	549	537	
21 469	Delphi Technologies Plc.	499	420	
12 993	Ethan Allen Interiors Inc.	388	312	
21 277	Gap Inc.	788	749	
9 779	Garmin Ltd.	701	846	
32 509	General Motors Co.	1 560	1 485	
26 601	Gentex Corp.	709	734	
7 865	Genuine Parts Co.	976	1 031	
7 522	Hasbro Inc.	893	835	
10 583	Home Depot Inc.	2 352	2 484	
5 411	LCI Industries	635	494	
14 756	Leggett & Platt Inc.	893	722	
22 981	McDonald's Corp.	3 755	5 573	
6 188	Polaris Industries Inc.	876	648	
8 050	Royal Caribbean Cruises Ltd.	1 146	1 075	
53 785	Starbucks Corp.	3 910	4 731	
17 800	Tapestry Inc.	1 097	821	
7 055	Thor Industries Inc.	662	501	
6 733	Tiffany and Co.	897	740	
11 577	V.F. Corporation	1 081	1 128	
707	Wynn Resorts Ltd.	124	96	
		27 330	28 527	6.8
Consumer Staples				
64 447	Altria Group Inc.	4 955	4 347	
13 795	Clorox Company	2 184	2 904	
49 679	Colgate-Palmolive Company	4 480	4 039	
31 929	Kellogg Co.	3 025	2 486	
19 132	Nu Skin Enterprises Inc.	1 671	1 603	
38 023	PepsiCo Inc.	5 105	5 737	
47 452	Philip Morris International Inc.	5 681	4 327	
39 515	SpartanNash Co.	904	927	
38 266	Sysco Corp.	2 604	3 275	
93 540	The Coca-Cola Co.	5 165	6 049	
18 463	The Hershey Co.	2 362	2 703	
53 606	The Procter & Gamble Co.	5 910	6 730	
41 359	Walmart Inc.	3 995	5 262	
		48 041	50 389	12.1

Holdings	Security	Cost	Fair Value	% of Net Assets
Energy				
82 208	Archrock Inc.	\$ 1 132	\$ 841	
14 401	Core Laboratories N.V.	1 805	1 173	
67 570	Exxon Mobil Corp.	7 210	6 293	
23 989	Helmerich & Payne	2 001	1 571	
41 541	Marathon Petroleum Corp.	3 563	3 348	
40 857	Occidental Petroleum Corp.	4 185	3 425	
20 591	ONEOK, Inc.	1 353	1 517	
27 497	Phillips 66 Company	3 220	3 235	
64 054	Schlumberger Ltd.	6 116	3 156	
29 948	Valero Energy Corp.	2 842	3 067	
		33 427	27 626	6.6
Financials				
34 851	Aflac Inc.	1 930	2 169	
8 862	American Financial Group Inc.	1 067	1 096	
9 957	Ameriprise Financial Inc.	1 561	1 419	
14 882	Arthur J. Gallagher & Co.	1 074	1 498	
9 010	Bank of Hawaii Corp.	873	828	
9 928	Banner Corp.	845	725	
32 077	BB&T Corporation	2 172	1 898	
4 334	BlackRock Inc.	2 279	2 325	
34 220	Brookline Bancorp Inc.	687	646	
17 902	Cathay General Bancorp	840	820	
16 074	Central Pacific Financial Corp.	610	535	
14 608	Chubb Ltd.	2 535	2 577	
40 503	Citigroup Inc.	3 641	2 880	
6 690	City Holding Co.	706	618	
8 767	Cullen/Frost Bankers Inc.	1 192	1 053	
28 239	CVB Financial Corp.	788	780	
19 796	Discover Financial Services	1 638	1 595	
18 063	First American Financial Corp.	1 093	1 101	
41 497	Fulton Financial Corp.	958	877	
16 725	Glacier Bancorp Inc.	731	905	
17 066	Great Western Bancorp Inc.	933	728	
19 964	Hanmi Financial Corp.	664	537	
26 608	Hartford Financial Services Inc.	1 770	1 615	
14 092	Horace Mann Educators Corp.	736	721	
82 729	Huntington Bancshares	1 450	1 347	
31 353	JPMorgan Chase & Co.	3 605	4 180	
69 499	KeyCorp	1 772	1 403	
17 943	Lincoln National Corp.	1 547	1 257	
8 311	M&T Bank Corp.	1 836	1 625	
42 006	Morgan Stanley	2 628	2 275	
14 990	NBT Bancorp Inc.	697	708	
13 781	Northern Trust Corp.	1 771	1 573	
40 232	Old Republic International Corp.	1 086	1 130	
14 207	PNC Bank Corp.	2 439	2 269	
23 030	Principal Financial Group Inc.	1 683	1 389	
21 903	Provident Financial Services Inc.	659	722	
17 296	Prudential Financial Inc.	2 379	1 926	
74 812	Regions Financial Corp.	1 854	1 367	
5 939	Safety Insurance Group Inc.	566	664	
20 186	State Street Corp.	2 155	1 739	
23 304	Suntrust Banks Inc.	1 782	1 605	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
46 445	Synchrony Financial	\$ 1 814	\$ 1 488	
14 257	T. Rowe Price Group Inc.	1 906	1 798	
33 414	TCF Financial Corp.	939	889	
6 224	Tompkins Financial Corp.	584	638	
55 738	Trustco Bank Corp.	554	522	
39 044	U.S. Bancorp	2 531	2 437	
39 677	Umpqua Holdings Corp.	1 074	862	
23 514	United Community Banks Inc.	814	689	
25 899	Unum Group	1 257	1 039	
22 816	Washington Federal Inc.	986	832	
14 113	Webster Financial Corp.	907	950	
55 632	Wells Fargo & Company	3 967	3 501	
9 152	Westamerica Bancorporation	753	696	
		79 318	73 466	17.6
Health Care				
24 467	Amgen Inc.	5 375	6 505	
78 576	Bristol-Myers Squibb Co.	5 745	5 578	
43 443	Cardinal Health Inc.	3 680	2 646	
39 567	Eli Lilly & Co.	4 219	6 254	
60 060	Gilead Sciences Inc.	5 811	5 131	
47 187	Johnson & Johnson	7 178	8 317	
50 745	Medtronic Plc.	5 537	6 304	
73 425	Merck & Co. Inc.	5 643	7 663	
45 210	Meridian Bioscience Inc.	937	1 072	
135 755	Pfizer Inc.	6 268	8 093	
		50 393	57 563	13.8
Industrials				
10 491	3M Co.	2 413	2 730	
6 842	Boeing Co.	1 677	3 014	
13 000	Brady Corp., Class A	590	772	
11 087	C.H. Robinson Worldwide Inc.	1 097	1 273	
14 272	Caterpillar Inc.	2 544	2 477	
8 199	Cummins Engine Inc.	1 550	1 497	
24 638	Delta Air Lines Inc.	1 585	1 679	
22 034	Emerson Electric Co.	1 665	1 798	
19 566	Fastenal Co.	1 160	1 397	
13 727	Honeywell International Inc.	2 263	2 477	
7 152	Hubbell Inc.	1 024	970	
11 107	Illinois Tool Works Inc.	2 005	1 922	
12 237	Ingersoll-Rand Plc., Class A	1 591	1 525	
10 904	Insteel Industries Inc.	365	362	
8 958	Lincoln Electric Holdings Inc.	996	965	
5 881	Lockheed Martin Corporation	1 845	2 103	
9 261	Manpower Inc.	1 117	820	
15 997	Miller (Herman) Inc.	651	661	
7 747	MSC Industrial Direct Co.	731	814	
9 155	Norfolk Southern Corp.	1 240	1 870	
19 883	Paccar Inc.	1 563	1 552	
61 818	Pitney Bowes Inc.	711	499	
20 331	Resources Connection Inc.	396	394	
6 992	Rockwell Automation Inc.	1 584	1 437	
13 730	Union Pacific Corp.	1 779	2 592	
16 592	United Parcel Service Inc.	2 256	2 210	
15 399	Waste Management Inc.	1 373	1 872	
4 933	Watsco Inc.	931	937	
		38 702	42 619	10.2

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology				
61 065	Applied Materials Inc.	\$ 2 777	\$ 2 731	
17 319	Automatic Data Processing Inc.	2 493	3 102	
81 504	Cisco Systems Inc.	3 384	4 823	
87 835	HP Inc.	1 961	2 454	
80 529	Intel Corp.	5 634	5 162	
24 874	International Business Machines	5 133	3 862	
16 531	KLA-Tencor Corp.	1 927	2 021	
34 464	Kulicke & Soffa Industries Inc.	947	954	
12 389	Lam Research Corp.	2 726	2 304	
22 515	National Instruments Corp.	1 027	1 395	
24 604	Park Electrochemical Corp.	584	607	
25 754	Paychex Inc.	1 981	2 292	
33 233	Seagate Technology	1 896	1 752	
24 448	TE Connectivity Ltd.	2 512	2 525	
30 156	Texas Instruments Inc.	2 882	3 892	
15 775	TTEC Holdings Inc.	533	616	
		38 397	40 492	9.7
Materials				
6 340	Air Products & Chemicals Inc.	1 219	1 386	
6 705	Avery Dennison Corp.	819	823	
9 110	Cabot Corp.	761	534	
20 766	Commercial Metals Co.	543	454	
6 793	Greif Inc., Class A	466	344	
5 694	Hawkins Inc.	299	318	
17 826	International Paper Co.	1 273	983	
8 556	Linde Plc.	1 473	1 823	
19 471	Louisiana-Pacific Corp.	612	591	
10 049	LyondellBasell Industries N.V.	1 205	1 141	
15 756	Myers Industries Inc.	371	325	
13 315	Nucor Corp.	965	942	
6 714	Packaging Corp. of America	823	765	
12 862	PolyOne Corp.	568	502	
6 838	Reliance Steel & Aluminum Co.	667	665	
9 744	Sonoco Products Company	710	707	
17 301	The Chemours Co.	968	667	
5 768	The Scotts Miracle-Gro Company	585	484	
8 655	Worthington Industries	451	412	
		14 778	13 866	3.3
Real Estate				
6 676	American Assets Trust Inc.			
	Real Estate Investment Trust	333	366	
9 909	American Campus Communities Inc.			
	Real Estate Investment Trust	535	560	
5 907	American Tower Corp.			
	Real Estate Investment Trust	1 056	1 276	
13 619	Armada Hoffer Properties Inc.			
	Real Estate Investment Trust	283	262	
3 668	AvalonBay Communities Inc.			
	Real Estate Investment Trust	830	872	
4 944	Boston Properties Inc.	797	760	
5 072	Camden Property Trust	626	610	
11 221	Chatham Lodging Trust			
	Real Estate Investment Trust	318	271	
9 450	Chesapeake Lodging			
	Real Estate Investment Trust	326	314	
14 072	CoreCivic Inc. Real Estate			
	Investment Trust	501	343	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate (cont.)				
41 124	Cousins Properties Inc. Real Estate Investment Trust	\$ 504	\$ 444	
7 475	Crown Castle International Corp. Real Estate Investment Trust	942	1 109	
11 440	Douglas Emmett Inc. Real Estate Investment Trust	522	533	
17 497	Duke Realty Corporation Real Estate Investment Trust	650	619	
13 063	Easterly Government Properties Inc. REIT	327	280	
3 544	EastGroup Properties Inc. Real Estate Investment Trust	457	444	
5 611	EPR Properties Real Estate Investment Trust	468	491	
1 852	Equinix Inc. Real Estate Investment Trust	951	892	
9 880	Equity Residential Properties Trust	716	891	
2 311	Essex Property Trust Inc.	733	774	
3 780	Federal Realty Investment Trust	645	609	
11 468	First Industrial Realty Trust Inc. Real Estate Investment Trust	468	452	
27 892	Franklin Street Properties Corp. Real Estate Investment Trust	370	237	
7 987	Getty Realty Corp. Real Estate Investment Trust	282	321	
12 249	Healthcare Realty Trust Inc.	492	476	
5 230	HFF Inc., Class A	261	237	
8 691	Highwoods Properties Inc.	517	459	
14 200	Hospitality Properties Trust	542	463	
6 262	Kilroy Realty Corp. Real Estate Investment Trust	591	538	
15 689	Kite Realty Group Trust Real Estate Investment Trust	362	302	
5 662	Lamar Advertising Co., Class A Real Estate Investment Trust	534	535	
9 737	Liberty Property Trust	484	557	
6 131	LTC Properties Inc. Real Estate Investment Trust	341	349	
5 134	Mid-America Apartment Communities Inc. Real Estate Investment Trust	687	671	
9 233	National Retail Properties Inc. Real Estate Investment Trust	520	612	
11 846	ProLogis Inc. Trust	1 054	950	
3 477	Public Storage Inc. Real Estate Investment Trust	915	961	
9 615	Realty Income Corp. Real Estate Investment Trust	741	828	
3 822	Saul Centers Inc. Real Estate Investment Trust	267	246	
22 421	Senior Housing Properties Trust Real Estate Investment Trust	534	359	
4 734	Simon Property Group Inc.	1 060	1 086	
4 893	SL Green Realty Corp. Real Estate Investment Trust	613	528	

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate (cont.)				
14 215	The Geo Group Inc. Real Estate Investment Trust	\$ 512	\$ 382	
12 435	UDR Inc. Real Estate Investment Trust	615	673	
3 275	Universal Health Realty Income Trust	316	275	
9 519	Urstadt Biddle Properties Inc., Class A Real Estate Investment Trust	249	250	
10 599	Ventas Inc. Real Estate Investment Trust	802	848	
7 525	Vornado Realty Trust	751	638	
12 060	Weingarten Real Estate Investment Trust	456	409	
23 271	Weyerhaeuser Company Ltd.	1 048	695	
		28 904	28 057	6.7
Utilities				
61 003	AES Corp.	918	1 205	
8 895	ALLETE Inc.	919	926	
21 150	Alliant Energy Corp.	1 208	1 220	
16 276	Ameren Corporation	1 380	1 450	
19 144	American Electric Power	1 824	1 954	
23 797	Aqua America Inc.	968	1 111	
9 944	Atmos Energy Corp.	919	1 259	
37 208	Centerpoint Energy Inc.	1 345	1 435	
20 883	CMS Energy Corp.	1 277	1 416	
21 558	Dominion Energy Inc.	1 973	2 104	
10 195	DTE Energy Company	1 228	1 536	
21 094	Edison International	1 845	1 636	
18 282	Eversource Energy	1 518	1 624	
28 458	MDU Resources Group Inc.	915	927	
13 458	National Fuel Gas Co.	1 006	941	
14 744	New Jersey Resources Corp.	660	920	
10 695	NextEra Energy Inc.	1 751	2 539	
22 308	OGE Energy Corp.	942	1 195	
8 267	Southwest Gas Holdings Inc.	716	864	
16 509	UGI Corp.	924	1 204	
22 252	Xcel Energy Inc.	1 408	1 498	
		25 644	28 964	6.9
TOTAL UNITED STATES EQUITIES		409 022	416 009	99.6
Less: Transaction costs		(46)	—	—
TOTAL INVESTMENTS		\$ 408 976	416 009	99.6
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			1 180	0.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			\$ 417 189	100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 416 009	\$ 449 029
Cash	2 139	2 294
Due from investment dealers	3 189	–
Dividends receivable, interest accrued and other assets	872	756
TOTAL ASSETS	422 209	452 079
LIABILITIES		
Due to investment dealers	11	–
Redemptions payable	3 178	–
Distributions payable	1 677	987
Accounts payable and accrued expenses	154	172
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	5 020	1 159
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 417 189	\$ 450 920
Investments at cost	\$ 408 976	\$ 402 692
NAV		
CAD UNITS	\$ 377 074	\$ 404 548
USD UNITS	\$ 40 115	\$ 46 372
NAV PER UNIT		
CAD UNITS	\$ 32.09	\$ 31.98
USD UNITS*	\$ 23.50	\$ 25.52

* Stated in U.S. dollars.

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 13 165	\$ 12 895
Income from investment trusts	1 221	(183)
Net realized gain (loss) on investments	42 339	23 210
Change in unrealized gain (loss) on investments	(39 304)	6 141
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	17 421	42 063
Other income (loss)	10	–
Securities lending revenue (see note 8 in the generic notes)	60	54
Net gain (loss) on foreign cash balances	56	(96)
TOTAL OTHER INCOME (LOSS)	126	(42)
TOTAL INCOME (LOSS)	17 547	42 021
EXPENSES (see notes – ETF Specific Information)		
Management fees	1 759	1 644
Independent Review Committee costs	3	2
GST/HST	162	159
Transaction costs	72	89
Withholding tax	1 928	1 746
TOTAL EXPENSES	3 924	3 640
INCREASE (DECREASE) IN NAV	\$ 13 623	\$ 38 381
INCREASE (DECREASE) IN NAV		
CAD UNITS	\$ 12 275	\$ 34 684
USD UNITS	\$ 1 348	\$ 3 697
INCREASE (DECREASE) IN NAV PER UNIT		
CAD UNITS	\$ 1.00	\$ 2.81
USD UNITS*	\$ 0.74	\$ 1.83

* Stated in U.S. dollars.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 13 623	\$ 38 381
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	(11)	45
Net realized loss (gain) on investments	(42 339)	(23 210)
Change in unrealized loss (gain) on investments	39 304	(6 141)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	(116)	(228)
Increase (decrease) in accrued payables	(18)	35
Cost of investments purchased*	(251 014)	(230 883)
Proceeds from sale and maturity of investments*	249 919	231 692
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	9 348	9 691
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	101	230
Cash paid on redemption of redeemable units*	(142)	(92)
Distributions paid to holders of redeemable units	(9 473)	(8 758)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (9 514)	\$ (8 620)
Net unrealized foreign exchange gain (loss) on cash	11	(45)
Net increase (decrease) in cash for the period	(166)	1 071
Cash (bank overdraft), beginning of period	2 294	1 268
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 2 139	\$ 2 294
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 1 221	\$ (183)
Dividends received, net of withholding taxes	\$ 11 121	\$ 10 921

* Excludes in-kind transactions.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	CAD Units		USD Units		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 404 548	\$ 330 675	\$ 46 372	\$ 38 902	\$ 450 920	\$ 369 577
INCREASE (DECREASE) IN NAV	12 275	34 684	1 348	3 697	13 623	38 381
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	52 150	62 983	6 511	53 993	58 661	116 976
Reinvestments of distributions to holders of redeemable units	36 927	14 363	3 895	1 646	40 822	16 009
Redemption of redeemable units	(82 777)	(15 536)	(13 075)	(49 164)	(95 852)	(64 700)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	6 300	61 810	(2 669)	6 475	3 631	68 285
Distributions from net income	(9 059)	(8 258)	(1 034)	(1 056)	(10 093)	(9 314)
Distributions from net gains	(36 927)	(14 363)	(3 895)	(1 646)	(40 822)	(16 009)
Distributions from capital	(63)	—	(7)	—	(70)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(46 049)	(22 621)	(4 936)	(2 702)	(50 985)	(25 323)
NET INCREASE (DECREASE) IN NAV	(27 474)	73 873	(6 257)	7 470	(33 731)	81 343
NAV AT END OF PERIOD	\$ 377 074	\$ 404 548	\$ 40 115	\$ 46 372	\$ 417 189	\$ 450 920

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure to the performance of a diversified portfolio of high-quality U.S. dividend-paying equity securities that will provide regular income and that have the potential for long-term capital growth.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United States Equities		
Financials	17.6	13.4
Health Care	13.8	11.4
Consumer Staples	12.1	11.7
Industrials	10.2	12.0
Information Technology	9.7	14.5
Utilities	6.9	6.2
Consumer Discretionary	6.8	9.0
Real Estate	6.7	5.9
Energy	6.6	8.4
Communication Services	5.9	3.7
Materials	3.3	3.5
Other Net Assets	0.4	0.3
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	100.0	100.3
Total	100.0	100.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 36-month historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P Composite 1500 Total Return Index (CAD)	+ or - 0.9	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	416 009	–	–	416 009
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	416 009	–	–	416 009
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	449 029	–	–	449 029
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	449 029	–	–	449 029
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
CAD Units	0.39%
USD Units	0.39%



December 31, 2018

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

**Redeemable units (000s)
(see note 6 in the generic notes)**

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CAD Units		
Opening units	12 650	11 050
Issued number of units	1 600	2 100
Reinvested number of units	1 141	—
Units consolidated*	(1 141)	—
Redeemed number of units	(2 500)	(500)
Ending number of units	11 750	12 650
USD Units		
Opening units	1 450	1 300
Issued number of units	200	1 750
Reinvested number of units	118	—
Units consolidated*	(118)	—
Redeemed number of units	(400)	(1 600)
Ending number of units	1 250	1 450

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	72	100	89	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	1	1	—	—

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	50 109	61 189
Fair value of collateral received	51 111	62 413

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	88	100	79	100
RBC IS (paid)	(21)	(25)	(21)	(26)
Tax withheld	(7)	(8)	(4)	(6)
ETF revenue	60	67	54	68

**Investments by other related investment funds (%)
(see note 9 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Quant U.S. Dividend Leaders (CAD Hedged) ETF	24.2	25.8
RBC Strategic Global Dividend Leaders ETF	0.7	0.6
Total	24.9	26.4



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC QUANT U.S. DIVIDEND LEADERS (CAD HEDGED) ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
3 139 966	RBC Quant U.S. Dividend Leaders ETF*	\$ 92 908	\$ 100 766	
TOTAL UNDERLYING FUNDS		92 908	100 766	102.5
Less: Transaction costs		(7)	—	—
TOTAL INVESTMENTS		<u>\$ 92 901</u>	100 766	102.5
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
			106	0.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
			(2 623)	(2.7)
TOTAL PORTFOLIO			98 249	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			86	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		<u>\$ 98 335</u>		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 3 261 Sold CAD 4 381 @ 1.3434	15-Jan-2019	\$ 71
Bought USD 2 197 Sold CAD 2 976 @ 1.3545	15-Jan-2019	25
Bought USD 861 Sold CAD 1 169 @ 1.3581	15-Jan-2019	6
Bought USD 2 230 Sold CAD 3 040 @ 1.3632	15-Jan-2019	4
		<u>\$ 106</u>

Contracts	Maturity Date	Unrealized Loss
Bought CAD 4 593 Sold USD 3 371 @ 1.3627	15-Jan-2019	\$ (9)
Bought CAD 104 494 Sold USD 78 455 @ 1.3319	15-Jan-2019	(2 614)
		<u>\$ (2 623)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (2 517)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 100 766	\$ 116 421
Cash	214	366
Unrealized gain on foreign exchange contracts	—	2 926
Dividends receivable, interest accrued and other assets	401	255
TOTAL ASSETS	101 381	119 968
LIABILITIES		
Unrealized loss on foreign exchange contracts	2 517	—
Distributions payable	529	337
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	3 046	337
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 98 335	\$ 119 631
Investments at cost	\$ 92 901	\$ 105 737
NAV PER UNIT	\$ 23.98	\$ 26.29

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Income from investment trusts	\$ 2 620	\$ 6 644
Derivative income	(10 839)	6 369
Net realized gain (loss) on investments	4 469	2 886
Change in unrealized gain (loss) on investments	(2 819)	1 194
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(6 569)	17 093
Other income (loss)	2	—
TOTAL OTHER INCOME (LOSS)	2	—
TOTAL INCOME (LOSS)	(6 567)	17 093
EXPENSES (see notes – ETF Specific Information)		
Transaction costs	6	9
TOTAL EXPENSES	6	9
INCREASE (DECREASE) IN NAV	\$ (6 573)	\$ 17 084
INCREASE (DECREASE) IN NAV PER UNIT	\$ (1.47)	\$ 3.61



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (6 573)	\$ 17 084
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	(4 469)	(2 886)
Change in unrealized loss (gain) on investments and foreign exchange contracts	8 273	(6 436)
Non-cash distributions from underlying funds	—	(4 133)
(Increase) decrease in accrued receivables	(146)	(128)
Increase (decrease) in accrued payables	—	—
Cost of investments purchased*	(7 376)	(13 733)
Proceeds from sale and maturity of investments*	12 612	12 824
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	2 321	2 592
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	92	156
Cash paid on redemption of redeemable units*	(154)	(158)
Distributions paid to holders of redeemable units	(2 411)	(2 476)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (2 473)	\$ (2 478)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	(152)	114
Cash (bank overdraft), beginning of period	366	252
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 214	\$ 366
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 2 474	\$ 2 383
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 119 631	\$ 105 429
INCREASE (DECREASE) IN NAV	(6 573)	17 084
Early redemption fees	—	—
Proceeds from redeemable units issued	15 530	19 070
Reinvestments of distributions to holders of redeemable units	6 642	6 926
Redemption of redeemable units	(27 650)	(19 435)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(5 478)	6 561
Distributions from net income	(2 584)	(2 421)
Distributions from net gains	(6 642)	(7 022)
Distributions from capital	(19)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(9 245)	(9 443)
NET INCREASE (DECREASE) IN NAV	(21 296)	14 202
NAV AT END OF PERIOD	\$ 98 335	\$ 119 631

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure, either directly or indirectly through investment in other ETFs managed by RBC GAM, to the performance of a diversified portfolio of high-quality U.S. dividend-paying equity securities that will provide regular income and that have the potential for long-term capital growth, while seeking to minimize the exposure to currency fluctuations between the U.S. and Canadian dollars.

Financial instrument risk and capital management (see note 5 in the generic notes)

The ETF invests in the RBC Quant U.S. Dividend Leaders ETF. The ETF's exposure to financial instrument risk is based on the underlying ETF asset mix. The following tables present the ETF's direct risks and pro rata exposure to the risks of the underlying ETF.

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United States Equities		
Financials	17.6	13.4
Health Care	13.8	11.4
Consumer Staples	12.1	11.7
Industrials	10.2	12.0
Information Technology	9.7	14.5
Utilities	6.9	6.2
Consumer Discretionary	6.8	9.0
Real Estate	6.7	5.9
Energy	6.6	8.4
Communication Services	5.9	3.7
Materials	3.3	3.5
Other Net Assets	0.4	0.3
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the ETF has been hedged using foreign exchange contracts, the ETF has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 36-month historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P Composite 1500 Total Return Index (USD)	+ or - 0.9	+ or - 0.8

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	100 766	—	—	100 766
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	(2 517)	—	(2 517)
Total financial instruments	100 766	(2 517)	—	98 249
% of total portfolio	102.6	(2.6)	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	116 421	—	—	116 421
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	2 926	—	2 926
Derivatives – liabilities	—	—	—	—
Total financial instruments	116 421	2 926	—	119 347
% of total portfolio	97.5	2.5	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

A management fee is not charged directly to the ETF as this ETF invests in the units of other RBC ETFs.



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the ETF's interest in the sponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Quant U.S. Dividend Leaders ETF	102.5	24.2	97.3	25.8

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)
(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	4 550	4 550
Issued number of units	600	800
Reinvested number of units	277	263
Units consolidated*	(277)	(263)
Redeemed number of units	(1 050)	(800)
Ending number of units	4 100	4 550

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	6	100	9	100
Related-party brokerage commissions*	6	100	9	100
Commission arrangements†	—	—	—	—

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	—	—
Fair value of collateral received	—	—

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	—	100	—	100
RBC IS (paid)	—	(25)	—	(33)
Tax withheld	—	—	—	—
ETF revenue	—	75	—	67

Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)

The following is a summary of the amounts for which the ETF has a legal right to offset in the event of default, insolvency or bankruptcy. "Net amount" represents the impact to the ETF if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	106	(2 623)
Amounts set-off in the Statements of Financial Position	(106)	106
Net amounts presented in the Statements of Financial Position	—	(2 517)
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	—	(2 517)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	2 926	—
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	2 926	—
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	2 926	—

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC QUANT U.S. EQUITY LEADERS ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNITED STATES EQUITIES				
Communication Services				
428	Alphabet Inc., Class C	\$ 649	\$ 607	
6 427	AT&T Inc.	265	251	
4 178	Comcast Corp., Class A	197	194	
207	Electronic Arts Inc.	28	22	
2 129	Facebook Inc., Class A	435	381	
512	Omnicom Group	50	51	
178	The Walt Disney Company	25	27	
6 878	Verizon Communications Inc.	488	530	
486	Viacom Inc.	18	17	
		2 155	2 080	7.2
Consumer Discretionary				
409	Amazon.com, Inc.	943	839	
728	Best Buy Co. Inc.	60	53	
15	Booking Holdings Inc.	37	35	
103	Chipotle Mexican Grill Inc., Class A	64	61	
357	Darden Restaurants Inc.	52	49	
167	Dollar General Corp.	21	25	
1 650	Foot Locker Inc.	108	120	
7 559	Ford Motor Company	92	79	
1 995	H&R Block, Inc.	74	69	
829	Hilton Worldwide Holdings Inc.	83	81	
1 452	Home Depot Inc.	367	341	
1 324	Kohl's Corp.	117	120	
146	Macy's Inc.	6	6	
235	Marriott International Inc., Class A	39	35	
1 951	Nike Inc.	186	198	
60	O'Reilly Automotive Inc.	22	28	
7 387	Pulte Corp.	263	262	
838	Ross Stores Inc.	84	95	
908	Starbucks Corp.	73	80	
1 577	Target Corporation	149	142	
2 363	TJX Companies Inc.	160	144	
		3 000	2 862	9.9
Consumer Staples				
3 780	Altria Group Inc.	294	255	
543	Church & Dwight Co. Inc.	47	49	
3 034	Colgate-Palmolive Company	260	247	
74	Constellation Brands Inc.	19	16	
339	Costco Wholesale Corp.	102	94	
903	Estée Lauder Companies Inc., Class A	160	160	
828	Kimberly-Clark Corp.	119	129	
1 319	PepsiCo Inc.	194	199	
2 864	Philip Morris International Inc.	310	261	
886	Sysco Corp.	76	76	
472	The Kroger Co.	18	18	
1 722	The Procter & Gamble Co.	198	216	
1 747	Tyson Foods Inc.	138	127	

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Staples (cont.)				
635	Walgreens Boots Alliance Inc.	\$ 67	\$ 59	
596	Walmart Inc.	68	76	
		2 070	1 982	6.9
Energy				
367	Anadarko Petroleum Corp.	31	22	
2 728	Chevron Corp.	413	405	
4 088	ConocoPhillips	350	348	
474	EOG Resources Inc.	66	56	
412	Exxon Mobil Corp.	43	38	
3 510	Halliburton Co.	185	127	
1 725	Kinder Morgan Inc.	38	36	
1 746	Marathon Oil Corp.	39	34	
947	Occidental Petroleum Corp.	88	79	
766	Valero Energy Corp.	85	78	
		1 338	1 223	4.2
Financials				
1 571	American International Group Inc.	98	85	
816	Ameriprise Financial Inc.	142	116	
13 408	Bank of America Corp.	512	451	
410	Berkshire Hathaway Inc., Class B	116	114	
1 321	Capital One Financial Corp.	157	136	
5 005	Citigroup Inc.	443	356	
819	Citizens Financial Group Inc.	42	33	
855	Comerica Inc.	90	80	
1 714	Discover Financial Services	161	138	
3 632	Hartford Financial Services Inc.	224	220	
3 978	JPMorgan Chase & Co.	518	530	
1 860	MetLife Inc.	111	104	
3 129	Morgan Stanley	189	169	
1 444	Prudential Financial Inc.	181	161	
5 351	Regions Financial Corp.	121	98	
1 649	S&P Global Inc.	427	383	
731	Suntrust Banks Inc.	59	50	
2 574	Synchrony Financial	106	82	
1 023	T. Rowe Price Group Inc.	127	129	
455	The Goldman Sachs Group Inc.	133	104	
1 898	The Progressive Corp.	163	156	
2 051	Wells Fargo & Company	142	129	
		4 262	3 824	13.2
Health Care				
1 067	Abbott Laboratories	89	105	
2 288	AbbVie Inc.	286	288	
235	Abiomed Inc.	111	104	
1 832	Amgen Inc.	439	487	
192	Baxter International Inc.	16	17	
359	Biogen Inc.	142	148	
2 482	Bristol-Myers Squibb Co.	184	176	
1 033	Cardinal Health Inc.	69	63	
298	Cerner Corp.	23	21	
201	Cigna Corp.	50	52	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care (cont.)				
329	Edwards Lifesciences Corp.	\$ 64	\$ 69	
1 885	Eli Lilly & Co.	234	298	
938	Gilead Sciences Inc.	83	80	
1 508	HCA Healthcare Inc.	268	256	
1 145	Hologic Inc.	61	64	
71	Intuitive Surgical Inc.	38	46	
2 360	Johnson & Johnson	395	416	
673	McKesson Corp.	121	102	
1 310	Medtronic Plc.	159	163	
4 422	Merck & Co. Inc.	432	461	
1 150	Nektar Therapeutics	56	52	
8 074	Pfizer Inc.	404	481	
358	Stryker Corp.	78	77	
969	UnitedHealth Group Incorporated	295	330	
620	Universal Health Services Inc., Class B	103	99	
310	Varian Medical Systems Inc.	44	48	
		<u>4 244</u>	<u>4 503</u>	<u>15.6</u>
Industrials				
1 487	Boeing Co.	631	655	
371	C.H. Robinson Worldwide Inc.	41	43	
146	Caterpillar Inc.	24	25	
25	Cummins Engine Inc.	5	5	
719	Delta Air Lines Inc.	50	49	
1 935	Emerson Electric Co.	165	158	
1 820	Expeditors International of Washington, Inc.	167	169	
206	Grainger (W.W.) Inc.	83	79	
2 015	Honeywell International Inc.	388	364	
168	Illinois Tool Works Inc.	30	29	
4 439	Pentair Plc.	266	229	
512	Raytheon Company	129	107	
176	Resideo Technologies Inc.	6	5	
1 398	Robert Half International Inc.	122	109	
505	Rockwell Automation Inc.	111	104	
1 975	Southwest Airlines	136	125	
94	Union Pacific Corp.	18	18	
1 853	United Continental Holdings Inc.	203	212	
		<u>2 575</u>	<u>2 485</u>	<u>8.6</u>
Information Technology				
2 356	Accenture Plc., Class A	497	454	
427	Adobe Inc.	140	132	
4 912	Apple Inc.	1 117	1 058	
655	Automatic Data Processing Inc.	102	117	
4 989	Cisco Systems Inc.	277	295	
1 940	Citrix Systems Inc.	267	271	
1 600	F5 Networks Inc.	373	354	
2 652	Fortinet Inc.	254	255	
4 190	Intel Corp.	240	269	
35	International Business Machines	6	5	
2 396	Intuit Inc.	662	644	
3 247	Mastercard Inc.	862	837	
3 016	Micron Technology Inc.	170	131	
7 182	Microsoft Corp.	884	996	
2 024	NetApp Inc.	206	165	

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology (cont.)				
773	Nvidia Corp.	\$ 246	\$ 141	
177	Paychex Inc.	15	16	
855	PayPal Holdings Inc.	96	98	
1 204	Red Hat Inc.	205	289	
3 417	Seagate Technology	220	180	
2 199	Texas Instruments Inc.	271	284	
382	Visa Inc., Class A	61	69	
		<u>7 171</u>	<u>7 060</u>	<u>24.4</u>
Materials				
380	Eastman Chemical Company	43	38	
4 567	Freeport-McMoRan Inc.	81	64	
2 730	International Paper Co.	161	150	
686	Linde Plc.	131	146	
2 548	LyondellBasell Industries N.V.	344	289	
510	WestRock Co.	30	26	
		<u>790</u>	<u>713</u>	<u>2.5</u>
Real Estate				
2 112	Host Marriott Corp.	53	48	
326	Public Storage Inc.			
	Real Estate Investment Trust	90	90	
2 079	Simon Property Group Inc.	478	477	
1 444	SL Green Realty Corp.			
	Real Estate Investment Trust	176	156	
1 178	Weyerhaeuser Company Ltd.	50	35	
		<u>847</u>	<u>806</u>	<u>2.8</u>
Utilities				
3 362	AES Corp.	59	67	
10 967	Centerpoint Energy Inc.	401	425	
9 536	Exelon Corp.	542	589	
4 116	NRG Energy Inc.	208	225	
		<u>1 210</u>	<u>1 306</u>	<u>4.5</u>
TOTAL UNITED STATES EQUITIES		<u>29 662</u>	<u>28 844</u>	<u>99.8</u>
Less: Transaction costs		(2)	—	—
TOTAL INVESTMENTS		<u>\$ 29 660</u>	<u>28 844</u>	<u>99.8</u>
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>33</u>	<u>0.2</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 28 877</u>	<u>100.0</u>	

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 28 844	\$ 34 040
Cash	196	129
Due from investment dealers	—	5
Dividends receivable, interest accrued and other assets	29	25
TOTAL ASSETS	29 069	34 199
LIABILITIES		
Due to investment dealers	—	5
Distributions payable	180	107
Accounts payable and accrued expenses	12	13
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	192	125
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 28 877	\$ 34 074
Investments at cost	\$ 29 660	\$ 31 262
NAV		
CAD UNITS	\$ 26 252	\$ 28 832
USD UNITS	\$ 2 625	\$ 5 242
NAV PER UNIT		
CAD UNITS	\$ 26.25	\$ 26.21
USD UNITS*	\$ 19.22	\$ 20.92

* Stated in U.S. dollars.

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 690	\$ 602
Income from investment trusts	34	(8)
Net realized gain (loss) on investments	4 512	1 920
Change in unrealized gain (loss) on investments	(3 594)	1 106
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	1 642	3 620
Securities lending revenue (see note 8 in the generic notes)	2	2
Net gain (loss) on foreign cash balances	8	(10)
TOTAL OTHER INCOME (LOSS)	10	(8)
TOTAL INCOME (LOSS)	1 652	3 612
EXPENSES (see notes – ETF Specific Information)		
Management fees	133	116
GST/HST	15	13
Transaction costs	10	6
Withholding tax	98	86
TOTAL EXPENSES	256	221
INCREASE (DECREASE) IN NAV	\$ 1 396	\$ 3 391
INCREASE (DECREASE) IN NAV		
CAD UNITS	\$ 1 106	\$ 3 151
USD UNITS	\$ 290	\$ 240
INCREASE (DECREASE) IN NAV PER UNIT		
CAD UNITS	\$ 1.00	\$ 2.87
USD UNITS*	\$ 1.59	\$ 1.76

* Stated in U.S. dollars.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 1 396	\$ 3 391
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	(3)	3
Net realized loss (gain) on investments	(4 512)	(1 920)
Change in unrealized loss (gain) on investments	3 594	(1 106)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	(4)	3
Increase (decrease) in accrued payables	(1)	2
Cost of investments purchased*	(37 059)	(22 343)
Proceeds from sale and maturity of investments*	37 055	22 330
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	466	360
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	54	26
Cash paid on redemption of redeemable units*	(61)	(20)
Distributions paid to holders of redeemable units	(395)	(356)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (402)	\$ (350)
Net unrealized foreign exchange gain (loss) on cash	3	(3)
Net increase (decrease) in cash for the period	64	10
Cash (bank overdraft), beginning of period	129	122
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 196	\$ 129
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 34	\$ —
Dividends received, net of withholding taxes	\$ 588	\$ 519

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	CAD Units		USD Units		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 28 832	\$ 23 625	\$ 5 242	\$ 2 363	\$ 34 074	\$ 25 988
INCREASE (DECREASE) IN NAV	1 106	3 151	290	240	1 396	3 391
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	24 595	12 573	5 398	2 682	29 993	15 255
Reinvestments of distributions to holders of redeemable units	3 495	881	350	161	3 845	1 042
Redemption of redeemable units	(27 861)	(10 136)	(8 257)	(1)	(36 118)	(10 137)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	229	3 318	(2 509)	2 842	(2 280)	6 160
Distributions from net income	(416)	(381)	(48)	(31)	(464)	(412)
Distributions from net gains	(3 495)	(881)	(350)	(172)	(3 845)	(1 053)
Distributions from capital	(4)	—	—	—	(4)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 915)	(1 262)	(398)	(203)	(4 313)	(1 465)
NET INCREASE (DECREASE) IN NAV	(2 580)	5 207	(2 617)	2 879	(5 197)	8 086
NAV AT END OF PERIOD	\$ 26 252	\$ 28 832	\$ 2 625	\$ 5 242	\$ 28 877	\$ 34 074

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with broad exposure to the performance of a diversified portfolio of high-quality U.S. equity securities that have the potential for long-term capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United States Equities		
Information Technology	24.4	25.8
Health Care	15.6	14.0
Financials	13.2	14.6
Consumer Discretionary	9.9	12.5
Industrials	8.6	10.5
Communication Services	7.2	–
Consumer Staples	6.9	7.9
Utilities	4.5	2.8
Energy	4.2	6.3
Real Estate	2.8	2.7
Materials	2.5	2.8
Other Net Assets	0.2	0.1
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	100.0	100.3
Total	100.0	100.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 36-month (December 31, 2017 – 31-month) historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (CAD)	+ or - 1.0	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	28 844	–	–	28 844
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	28 844	–	–	28 844
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	34 040	–	–	34 040
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	34 040	–	–	34 040
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
CAD Units	0.39%
USD Units	0.39%

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

**Redeemable units (000s)
(see note 6 in the generic notes)**

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CAD Units		
Opening units	1 100	1 000
Issued number of units	900	500
Reinvested number of units	133	—
Units consolidated*	(133)	—
Redeemed number of units	(1 000)	(400)
Ending number of units	1 000	1 100
USD Units		
Opening units	200	100
Issued number of units	200	100
Reinvested number of units	13	—
Units consolidated*	(13)	—
Redeemed number of units	(300)	—
Ending number of units	100	200

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	10	100	6	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements [†]	—	—	—	—

* See note 9 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	649	3 464
Fair value of collateral received	662	3 533

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	3	100	3	100
RBC IS (paid)	(1)	(25)	(1)	(29)
Tax withheld	—	(6)	—	(6)
ETF revenue	2	69	2	65

**Investments by other related investment funds (%)
(see note 9 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Quant U.S. Equity Leaders (CAD Hedged) ETF	39.5	42.1
RBC Strategic Global Equity Leaders ETF	4.2	2.6
Total	43.7	44.7



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC QUANT U.S. EQUITY LEADERS (CAD HEDGED) ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
434 368	RBC Quant U.S. Equity Leaders ETF*	\$ 11 612	\$ 11 403	
TOTAL UNDERLYING FUNDS		11 612	11 403	103.1
Less: Transaction costs		—	—	—
TOTAL INVESTMENTS		<u>\$ 11 612</u>	11 403	103.1
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)			12	0.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)			(296)	(2.7)
TOTAL PORTFOLIO			11 119	100.5
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(55)	(0.5)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 11 064</u>		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 347 Sold CAD 466 @ 1.3434	15-Jan-2019	\$ 8
Bought USD 249 Sold CAD 338 @ 1.3545	15-Jan-2019	3
Bought USD 371 Sold CAD 506 @ 1.3632	15-Jan-2019	1
		<u>\$ 12</u>
Contracts	Maturity Date	Unrealized Loss
Bought CAD 604 Sold USD 443 @ 1.3627	15-Jan-2019	\$ (1)
Bought CAD 11 757 Sold USD 8 827 @ 1.3319	15-Jan-2019	(295)
		<u>\$ (296)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (284)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 11 403	\$ 14 333
Cash	35	57
Unrealized gain on foreign exchange contracts	—	356
Dividends receivable, interest accrued and other assets	71	44
TOTAL ASSETS	11 509	14 790
LIABILITIES		
Unrealized loss on foreign exchange contracts	284	—
Distributions payable	161	46
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	445	46
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 11 064	\$ 14 744
Investments at cost	\$ 11 612	\$ 13 428
NAV PER UNIT	\$ 22.13	\$ 24.57

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Income from investment trusts	\$ 181	\$ 622
Derivative income	(1 260)	814
Net realized gain (loss) on investments	1 563	642
Change in unrealized gain (loss) on investments	(1 114)	262
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(630)	2 340
Securities lending revenue (see note 8 in the generic notes)	—	1
TOTAL OTHER INCOME (LOSS)	—	1
TOTAL INCOME (LOSS)	(630)	2 341
EXPENSES (see notes – ETF Specific Information)		
Transaction costs	1	1
TOTAL EXPENSES	1	1
INCREASE (DECREASE) IN NAV	\$ (631)	\$ 2 340
INCREASE (DECREASE) IN NAV PER UNIT	\$ (1.16)	\$ 4.03



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (631)	\$ 2 340
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	(1 563)	(642)
Change in unrealized loss (gain) on investments	1 750	(795)
Non-cash distributions from underlying funds	—	(438)
(Increase) decrease in accrued receivables	(27)	(32)
Increase (decrease) in accrued payables	—	—
Cost of investments purchased*	(970)	(1 696)
Proceeds from sale and maturity of investments*	1 571	1 467
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	130	204
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	93	56
Cash paid on redemption of redeemable units*	(71)	(51)
Distributions paid to holders of redeemable units	(174)	(178)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (152)	\$ (173)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	(22)	31
Cash (bank overdraft), beginning of period	57	26
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 35	\$ 57
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 154	\$ 152
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 14 744	\$ 9 384
INCREASE (DECREASE) IN NAV	(631)	2 340
Early redemption fees	—	—
Proceeds from redeemable units issued	17 163	10 255
Reinvestments of distributions to holders of redeemable units	2 398	716
Redemption of redeemable units	(19 923)	(7 038)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(362)	3 933
Distributions from net income	(287)	(164)
Distributions from net gains	(2 398)	(749)
Distributions from capital	(2)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 687)	(913)
NET INCREASE (DECREASE) IN NAV	(3 680)	5 360
NAV AT END OF PERIOD	\$ 11 064	\$ 14 744

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with broad exposure, either directly or indirectly through investment in other ETFs managed by RBC GAM, to the performance of a diversified portfolio of high-quality U.S. equity securities that have the potential for long-term capital growth, while seeking to minimize the exposure to currency fluctuations between the U.S. and Canadian dollars.

Financial instrument risk and capital management (see note 5 in the generic notes)

The ETF invests in the RBC Quant U.S. Equity Leaders ETF. The ETF's exposure to financial instrument risk is based on the underlying ETF asset mix. The following tables present the ETF's direct risks and pro rata exposure to the risks of the underlying ETF.

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United States Equities		
Information Technology	24.4	25.8
Health Care	15.6	14.0
Financials	13.2	14.6
Consumer Discretionary	9.9	12.5
Industrials	8.6	10.5
Communication Services	7.2	—
Consumer Staples	6.9	7.9
Utilities	4.5	2.8
Energy	4.2	6.3
Real Estate	2.8	2.7
Materials	2.5	2.8
Other Net Assets	0.2	0.1
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the ETF has been hedged using foreign exchange contracts, the ETF has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 36-month (December 31, 2017 – 31-month) historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (USD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	11 403	—	—	11 403
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	(284)	—	(284)
Total financial instruments	11 403	(284)	—	11 119
% of total portfolio	102.6	(2.6)	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	14 333	—	—	14 333
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	356	—	356
Derivatives – liabilities	—	—	—	—
Total financial instruments	14 333	356	—	14 689
% of total portfolio	97.6	2.4	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

A management fee is not charged directly to the ETF as this ETF invests in the units of other RBC ETFs.



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the ETF's interest in the sponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Quant U.S. Equity Leaders ETF	103.1	39.5	97.2	42.1

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)
(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	600	450
Issued number of units	700	450
Reinvested number of units	108	29
Units consolidated*	(108)	(29)
Redeemed number of units	(800)	(300)
Ending number of units	500	600

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	1	100	1	100
Related-party brokerage commissions*	1	100	1	100
Commission arrangements†	—	—	—	—

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	192	—
Fair value of collateral received	196	—

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	—	100	1	100
RBC IS (paid)	—	(25)	—	(30)
Tax withheld	—	—	—	—
ETF revenue	—	75	1	70

Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)

The following is a summary of the amounts for which the ETF has a legal right to offset in the event of default, insolvency or bankruptcy. "Net amount" represents the impact to the ETF if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	12	(296)
Amounts set-off in the Statements of Financial Position	(12)	12
Net amounts presented in the Statements of Financial Position	—	(284)
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	—	(284)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	356	—
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	356	—
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	356	—

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC U.S. EQUITY INDEX ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNITED STATES EQUITIES				
Communication Services				
9 101	Activision Blizzard Inc.	\$ 733	\$ 579	
3 630	Alphabet Inc., Class A	4 468	5 181	
3 700	Alphabet Inc., Class C	4 496	5 233	
88 436	AT&T Inc.	4 243	3 447	
3 850	CBS Corp.	282	230	
11 528	CenturyTel Inc.	286	239	
2 092	Charter Communications Inc.	951	814	
55 041	Comcast Corp., Class A	2 638	2 560	
1 938	Discovery Inc., Class A	53	65	
4 178	Discovery Inc., Class C	119	132	
2 584	DISH Network Corp., Class A	173	88	
3 553	Electronic Arts Inc.	520	383	
28 865	Facebook Inc., Class A	6 156	5 168	
892	IAC/InterActiveCorp.	141	223	
4 568	Interpublic Group of Companies Inc.	120	129	
323	Liberty Broadband Corp., Class A	38	32	
1 292	Liberty Broadband Corp., Class C	156	127	
2 284	Liberty Global PLC, Series A	95	67	
6 392	Liberty Global PLC, Series C	255	180	
969	Liberty SiriusXM Group	51	49	
1 979	Liberty SiriusXM Group, Class C	105	100	
5 027	Netflix Inc.	1 192	1 838	
4 522	News Corp., Class A	76	70	
1 269	News Corp., Class B	22	20	
2 725	Omnicom Group	255	273	
15 455	Sirius XM Holdings Inc.	109	121	
7 403	Sprint Corp.	72	59	
1 359	Take-Two Interactive Software Inc.	191	191	
17 935	The Walt Disney Company	2 277	2 686	
3 646	T-Mobile US Inc.	283	317	
1 292	TripAdvisor Inc.	68	95	
12 591	Twenty-First Century Fox Inc.	433	828	
5 932	Twenty-First Century Fox Inc., Class B	218	387	
8 549	Twitter Inc.	204	336	
50 374	Verizon Communications Inc.	3 163	3 868	
4 199	Viacom Inc.	146	147	
3 189	Yandex N.V.	135	119	
1 455	Zillow Group Inc.	80	63	
682	Zillow Group Inc., Class A	37	29	
		35 040	36 473	10.1
Consumer Discretionary				
1 157	Adient Plc.	114	24	
869	Advance Auto Parts Inc.	110	187	
4 940	Amazon.com, Inc.	6 289	10 134	
3 230	Aptiv Plc.	338	272	
2 907	ARAMARK Corp.	149	115	
1 069	Autoliv Inc.	170	103	
646	AutoNation Inc.	39	31	
323	Autozone Inc.	246	370	

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Discretionary (cont.)				
2 858	Best Buy Co. Inc.	\$ 207	\$ 207	
574	Booking Holdings Inc.	1 341	1 350	
2 584	Borg-Warner Automotive Inc.	167	123	
2 161	CarMax Inc.	205	185	
4 845	Carnival Corp.	390	326	
323	Chipotle Mexican Grill Inc., Class A	124	190	
4 199	D.R. Horton Inc.	213	199	
1 515	Darden Restaurants Inc.	155	207	
3 230	Dollar General Corp.	334	477	
2 801	Dollar Tree Inc.	307	346	
446	Domino's Pizza Inc.	114	151	
10 910	eBay Inc.	527	418	
1 477	Expedia Group Inc.	262	227	
1 443	Foot Locker Inc.	64	105	
46 960	Ford Motor Company	718	491	
2 625	Gap Inc.	96	92	
1 392	Garmin Ltd.	97	120	
892	Garrett Motion Inc.	17	15	
15 822	General Motors Co.	855	723	
3 235	Gentex Corp.	83	89	
1 715	Genuine Parts Co.	206	225	
2 907	Goodyear Tire & Rubber Co.	120	81	
2 584	H&R Block, Inc.	86	90	
4 196	Hanesbrands Inc.	124	72	
1 938	Harley-Davidson Inc.	118	90	
1 392	Hasbro Inc.	170	154	
3 324	Hilton Worldwide Holdings Inc.	299	326	
13 961	Home Depot Inc.	2 917	3 276	
2 038	Kohl's Corp.	119	185	
2 707	L Brands Inc.	145	95	
4 299	Las Vegas Sands Corp.	352	306	
797	Lear Corp.	174	134	
1 615	Leggett & Platt Inc.	98	79	
3 362	Lennar Corp.	235	180	
3 835	LKQ Corp.	172	124	
9 810	Lowe's Companies	1 011	1 237	
1 092	Lululemon Athletica Inc.	99	181	
3 545	Macy's Inc.	96	144	
3 399	Marriott International Inc., Class A	471	504	
4 199	Mattel Inc.	82	57	
9 344	McDonald's Corp.	1 847	2 266	
512	MercadoLibre Inc.	172	205	
5 837	MGM Mirage	226	193	
1 615	Michael Kors Holdings Ltd.	98	84	
746	Mohawk Industries Inc.	238	119	
5 241	Newell Brands Inc.	276	133	
15 170	Nike Inc.	1 000	1 536	
1 392	Nordstrom Inc.	79	89	
2 593	Norwegian Cruise Line Holdings Ltd.	179	150	
40	NVR Inc.	145	133	
969	O'Reilly Automotive Inc.	265	456	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Discretionary (cont.)				
707	Polaris Industries Inc.	\$ 94	\$ 74	
3 030	Pulte Corp.	105	108	
869	PVH Corp.	138	110	
4 925	Qurate Retail Inc.	149	131	
646	Ralph Lauren Corp.	73	91	
4 422	Ross Stores Inc.	366	502	
2 038	Royal Caribbean Cruises Ltd.	306	272	
14 656	Starbucks Corp.	996	1 289	
3 407	Tapestry Inc.	173	157	
6 365	Target Corporation	479	575	
1 630	Tesla Inc.	709	741	
1 474	Tiffany and Co.	182	162	
15 127	TJX Companies Inc.	706	924	
1 561	Toll Brothers Inc.	82	70	
1 415	Tractor Supply Co.	114	161	
690	Ulta Salon, Cosmetics & Fragrance, Inc.	200	231	
4 522	Under Armour Inc.	90	105	
3 876	V.F. Corporation	316	378	
483	Vail Resorts Inc.	176	139	
778	Whirlpool Corp.	178	114	
1 192	Wyndham Hotels & Resorts Inc.	85	74	
1 192	Wyndham Worldwide Corp.	159	58	
1 251	Wynn Resorts Ltd.	243	169	
3 817	Yum! Brands, Inc.	356	479	
4 240	Yum! China Holdings Inc.	213	194	
		32 038	37 489	10.3

Consumer Staples

22 773	Altria Group Inc.	1 811	1 536	
6 746	Archer Daniels Midland Co.	365	377	
3 675	Brown-Forman Corp., Class B	215	239	
1 715	Bunge Ltd.	148	125	
2 061	Campbell Soup Company	119	93	
2 907	Church & Dwight Co. Inc.	174	261	
1 515	Clorox Company	248	319	
2 261	Coca-Cola European Partners PLC	117	142	
10 336	Colgate-Palmolive Company	936	840	
5 617	Conagra Brands Inc.	242	164	
1 885	Constellation Brands Inc.	473	414	
5 268	Costco Wholesale Corp.	1 106	1 466	
5 483	Coty Inc.	115	49	
2 621	Estée Lauder Companies Inc., Class A	363	466	
7 165	General Mills Inc.	460	381	
1 273	Herbalife Nutrition Ltd.	55	102	
3 230	Hormel Foods Corp.	130	188	
869	Ingredion Inc.	134	108	
3 007	Kellogg Co.	235	234	
2 161	Keurig Dr Pepper Inc.	234	76	
4 199	Kimberly-Clark Corp.	608	653	
1 707	Lamb Weston Holdings Inc.	105	171	
1 464	McCormick & Co. Inc.	184	278	
2 030	Molson Coors Brewing Co., Class B	205	156	
17 256	Mondelez International Inc.	888	943	
4 845	Monster Beverage Corp.	338	326	

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Staples (cont.)				
17 219	PepsiCo Inc.	\$ 2 365	\$ 2 598	
18 683	Philip Morris International Inc.	2 561	1 704	
5 814	Sysco Corp.	396	498	
46 531	The Coca-Cola Co.	2 642	3 009	
1 690	The Hershey Co.	229	247	
1 292	The J.M. Smucker Company	170	165	
7 289	The Kraft Heinz Co.	699	428	
9 495	The Kroger Co.	250	357	
30 314	The Procter & Gamble Co.	3 485	3 806	
3 512	Tyson Foods Inc.	311	256	
9 825	Walgreens Boots Alliance Inc.	942	917	
17 161	Walmart Inc.	1 729	2 183	
		25 787	26 275	7.2

Energy

6 024	Anadarko Petroleum Corp.	374	361	
2 907	Antero Resources Corp.	74	37	
4 522	Apache Corp.	255	162	
6 029	Baker Hughes a GE Co.	260	177	
5 200	Cabot Oil & Gas Corp.	172	159	
2 775	Cheniere Energy Inc.	169	224	
22 984	Chevron Corp.	3 399	3 415	
1 150	Cimarex Energy Co.	165	97	
2 387	Concho Resources Inc.	423	335	
13 971	ConocoPhillips	873	1 190	
969	Continental Resources Inc.	48	53	
546	Core Laboratories N.V.	67	44	
5 538	Devon Energy Corporation	253	170	
1 864	Diamondback Energy Inc.	296	236	
6 965	EOG Resources Inc.	848	830	
3 227	EQT Corp.	239	83	
2 541	Equitrans Midstream Corp.	111	69	
51 529	Exxon Mobil Corp.	5 267	4 799	
10 518	Halliburton Co.	588	382	
1 292	Helmerich & Payne	82	85	
3 225	Hess Corp.	189	178	
1 979	HollyFrontier Corp.	93	138	
22 930	Kinder Morgan Inc.	539	482	
9 998	Marathon Oil Corp.	175	196	
8 053	Marathon Petroleum Corp.	664	649	
1 938	Murphy Oil Corp.	65	62	
4 522	National Oilwell Varco Inc.	199	159	
2 253	Newfield Exploration Company	85	45	
5 814	Noble Energy Inc.	205	149	
9 226	Occidental Petroleum Corp.	748	773	
4 962	ONEOK, Inc.	358	366	
5 068	Phillips 66 Company	596	596	
2 038	Pioneer Natural Resources Co.	395	366	
2 584	Range Resources Corp.	64	34	
16 746	Schlumberger Ltd.	1 439	825	
2 576	Targa Resources Corp.	153	127	
14 608	The Williams Companies Inc.	569	440	
5 108	Valero Energy Corp.	502	523	
		21 001	19 016	5.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials				
646	Affiliated Managers Group Inc.	\$ 155	\$ 86	
9 223	Aflac Inc.	479	574	
6 246	AGNC Investment Corp.			
	Real Estate Investment Trust	163	150	
177	Alleghany Corp.	123	151	
4 200	Allstate Corp.	489	474	
5 115	Ally Financial Inc.	158	158	
7 975	American Express Company	917	1 038	
10 646	American International Group Inc.	816	573	
1 661	Ameriprise Financial Inc.	311	237	
15 293	Annaly Mortgage Management Inc.	229	205	
2 953	Aon Plc.	543	586	
4 655	Arch Capital Group Ltd.	191	170	
2 161	Arthur J. Gallagher & Co.	169	218	
646	Assurant Inc.	77	79	
2 402	AXA Equitable Holdings Inc.	50	55	
969	Axis Capital Holdings Ltd.	69	68	
111 161	Bank of America Corp.	3 634	3 741	
11 063	Bank of New York Mellon Corp.	744	711	
9 413	BB&T Corporation	555	557	
2	Berkshire Hathaway Inc., Class A	757	836	
20 450	Berkshire Hathaway Inc., Class B	4 786	5 703	
1 478	BlackRock Inc.	840	793	
1 443	Brighthouse Financial Inc.	97	60	
2 755	Brown & Brown Inc.	86	104	
5 714	Capital One Financial Corp.	621	590	
1 345	CBOE Global Markets Inc.	184	180	
5 591	Chubb Ltd.	1 012	986	
1 838	Cincinnati Financial Corp.	177	194	
1 324	CIT Group Inc.	81	69	
29 658	Citigroup Inc.	2 744	2 109	
5 554	Citizens Financial Group Inc.	258	226	
4 299	CME Group Inc., Class A	763	1 105	
323	CNA Financial Corp.	20	19	
1 884	Comerica Inc.	181	177	
1 160	Commerce Bancshares Inc.	83	89	
4 041	Discover Financial Services	335	326	
3 030	E*TRADE Financial Corp.	170	182	
498	Everest Re Group Ltd.	143	148	
7 999	Fifth Third Bancorp	281	257	
1 938	First Republic Bank	253	230	
3 230	FNF Group	142	139	
3 583	Franklin Resources Inc.	199	145	
4 297	Hartford Financial Services Inc.	296	261	
12 910	Huntington Bancshares	225	210	
6 834	Intercontinental Exchange, Inc.	599	703	
4 845	Invesco Ltd.	215	111	
2 253	Janus Henderson Group Plc.	99	64	
3 385	Jefferies Financial Group Inc.	108	80	
40 242	JPMorgan Chase & Co.	4 945	5 365	
12 335	KeyCorp	290	249	
2 584	Lincoln National Corp.	238	181	
3 332	Loews Corp.	202	207	
1 647	M&T Bank Corp.	338	322	
170	Markel Corp.	229	241	
6 137	Marsh & McLennan Companies Inc.	647	668	
10 167	MetLife Inc.	662	570	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
2 038	Moody's Corp.	\$ 367	\$ 390	
15 832	Morgan Stanley	983	857	
1 049	MSCI Inc.	213	211	
5 814	New York Community Bancorp Inc.	94	75	
2 484	Northern Trust Corp.	288	284	
3 371	Old Republic International Corp.	86	95	
4 189	People's United Financial Inc.	95	83	
5 615	PNC Bank Corp.	947	897	
3 412	Principal Financial Group Inc.	275	206	
4 968	Prudential Financial Inc.	671	553	
1 615	Raymond James Financial Corp.	174	164	
12 384	Regions Financial Corp.	237	226	
423	RenaissanceRe Holdings Ltd.	72	77	
3 058	S&P Global Inc.	615	710	
1 225	Santander Consumer USA Holdings Inc.	24	29	
1 415	SEI Investments Co.	111	89	
4 522	State Street Corp.	544	390	
5 439	Suntrust Banks Inc.	407	375	
644	SVB Financial Group	223	167	
8 881	Synchrony Financial	354	285	
2 807	T. Rowe Price Group Inc.	323	354	
3 348	TD Ameritrade Holding Corp.	219	224	
14 494	The Charles Schwab Corporation	816	822	
4 245	The Goldman Sachs Group Inc.	1 283	969	
1 392	The Nasdaq Stock Market Inc.	138	155	
6 960	The Progressive Corp.	437	573	
1 292	Torchmark Corp.	131	132	
3 230	Travelers Cos. Inc.	502	528	
18 389	U.S. Bancorp	1 231	1 148	
2 584	Unum Group	166	104	
1 879	Voya Financial Inc.	95	103	
1 092	W.R. Berkley Corp.	92	110	
51 606	Wells Fargo & Company	3 593	3 248	
1 515	Willis Towers Watson Plc.	295	314	
2 261	Zions Bancorporation	133	126	
		49 412	48 803	13.5
Health Care				
20 617	Abbott Laboratories	1 406	2 037	
18 274	AbbVie Inc.	2 069	2 301	
508	Abiomed Inc.	251	226	
3 876	Agilent Technologies Inc.	317	357	
2 584	Alexion Pharmaceuticals Inc.	453	344	
969	Align Technology Inc.	233	277	
1 938	Alkermes Plc.	125	78	
4 062	Allergan plc	1 050	742	
1 116	Alnylam Pharmaceuticals Inc.	202	111	
1 938	AmerisourceBergen Corp.	202	197	
7 709	Amgen Inc.	1 807	2 050	
3 126	Anthem Inc.	781	1 121	
5 991	Baxter International Inc.	475	539	
3 216	Becton Dickinson & Co.	814	990	
2 414	Biogen Inc.	962	992	
2 120	BioMarin Pharmaceuticals Inc.	245	247	
16 563	Boston Scientific Corp.	604	799	
19 695	Bristol-Myers Squibb Co.	1 578	1 398	
3 684	Cardinal Health Inc.	310	224	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care (cont.)				
8 422	Celgene Corp.	\$ 1 505	\$ 737	
2 434	Centene Corp.	318	383	
3 835	Cerner Corp.	342	275	
4 488	Cigna Corp.	1 084	1 164	
579	Cooper Co. Inc.	176	201	
15 521	CVS Health Corp.	1 584	1 389	
7 429	Danaher Corp.	812	1 046	
1 566	DaVita Inc.	121	110	
2 584	Dentsply Sirona Inc.	180	131	
2 522	Edwards Lifesciences Corp.	350	528	
11 368	Eli Lilly & Co.	1 237	1 797	
15 596	Gilead Sciences Inc.	1 614	1 332	
3 280	HCA Healthcare Inc.	333	558	
1 838	Henry Schein Inc.	187	197	
3 230	Hologic Inc.	153	181	
1 662	Humana Inc.	526	650	
1 069	IDEXX Laboratories Inc.	214	272	
1 760	Illumina Inc.	476	721	
2 120	Incyte Corporation Ltd.	289	184	
1 354	Intuitive Surgical Inc.	621	886	
1 959	IQVIA Holdings Inc.	242	311	
646	Jazz Pharmaceuticals Plc.	123	109	
32 694	Johnson & Johnson	5 431	5 763	
1 224	Laboratory Corp. of America Holdings	233	211	
2 393	McKesson Corp.	460	361	
16 279	Medtronic Plc.	1 604	2 022	
31 696	Merck & Co. Inc.	2 549	3 308	
323	Mettler-Toledo International Inc.	258	250	
6 178	Mylan N.V.	256	231	
1 615	Perrigo Company Plc.	174	85	
70 643	Pfizer Inc.	3 222	4 212	
1 615	Quest Diagnostics Inc.	189	184	
969	Regeneron Pharmaceutical	546	494	
1 692	Resmed Inc.	169	263	
4 099	Stryker Corp.	743	878	
544	Teleflex Inc.	188	192	
4 845	Thermo Fisher Scientific Inc.	1 171	1 481	
11 604	UnitedHealth Group Incorporated	2 943	3 948	
1 006	Universal Health Services Inc., Class B	144	160	
1 104	Varian Medical Systems Inc.	143	171	
3 089	Vertex Pharmaceuticals Inc.	596	699	
918	Waters Corp.	215	237	
582	WellCare Health Plans Inc.	229	188	
2 441	Zimmer Biomet Holdings, Inc.	357	346	
5 814	Zoetis Inc.	471	679	
		48 662	54 555	15.0
Industrials				
6 857	3M Co.	1 851	1 784	
447	Acuity Brands Inc.	94	70	
1 615	AerCap Holdings N.V.	105	87	
323	Alaska Airgroup Inc.	32	27	
1 092	Allegion Plc.	119	119	
1 438	American Airlines Group Inc.	90	63	
2 765	Ametek Inc.	233	256	

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
5 076	Arconic Inc.	\$ 165	\$ 117	
6 521	Boeing Co.	2 129	2 872	
1 615	C.H. Robinson Worldwide Inc.	158	185	
6 965	Caterpillar Inc.	1 114	1 209	
1 069	Cintas Corp.	202	245	
2 428	Copart Inc.	165	158	
433	CoStar Group Inc.	209	200	
9 759	CSX Corp.	643	828	
1 738	Cummins Engine Inc.	370	317	
3 876	Deere & Co.	629	790	
2 062	Delta Air Lines Inc.	133	141	
1 747	Dover Corp.	164	169	
423	Dun & Bradstreet Corp.	64	82	
5 313	Eaton Corp Plc.	516	498	
7 563	Emerson Electric Co.	604	617	
1 434	Equifax Inc.	200	182	
2 077	Expeditors International of Washington, Inc.	157	193	
3 553	Fastenal Co.	206	254	
2 907	FedEx Corporation	818	641	
1 615	Flowserve Corp.	87	84	
1 615	Fluor Corp.	88	71	
3 567	Fortive Corp.	321	330	
1 756	Fortune Brands Home & Security Inc.	146	91	
3 132	General Dynamics Corp.	822	672	
103 960	General Electric Company	3 143	1 075	
543	Grainger (W.W.) Inc.	128	209	
1 432	Harris Corp.	241	263	
8 944	Honeywell International Inc.	1 608	1 614	
544	Huntington Ingalls Industries Inc.	181	141	
4 613	IHS Markit Ltd.	257	302	
4 016	Illinois Tool Works Inc.	760	695	
3 007	Ingersoll-Rand Plc., Class A	340	375	
1 069	J.B. Hunt Transport Services Inc.	149	136	
1 564	Jacobs Engineering Group Inc.	117	125	
11 316	Johnson Controls International PLC	570	458	
1 192	Kansas City Southern Industries Inc.	160	155	
969	L3 Technologies Inc.	232	230	
3 007	Lockheed Martin Corporation	1 183	1 075	
746	Manpower Inc.	113	66	
3 584	Masco Corp.	176	143	
4 199	Nielsen Holdings Plc.	214	134	
3 299	Norfolk Southern Corp.	551	674	
1 938	Northrop Grumman Corp.	709	648	
1 938	nVent Electric Plc.	54	59	
797	Old Dominion Freight Line Inc.	152	134	
4 199	Paccar Inc.	386	328	
1 615	Parker Hannifin Corp.	359	329	
	Pentair Plc.	170	100	
3 453	Raytheon Company	816	723	
2 687	Republic Services Inc.	224	265	
1 486	Resideo Technologies Inc.	49	42	
1 433	Robert Half International Inc.	93	112	
1 415	Rockwell Automation Inc.	321	291	
1 758	Rollins Inc.	95	87	
1 215	Roper Technologies Inc.	384	442	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
1 938	Sensata Technologies Holding Plc.	\$ 118	\$ 119	
675	Snap-On Inc.	129	134	
1 756	Southwest Airlines	129	111	
1 838	Stanley Black & Decker Inc.	357	301	
969	Stericycle Inc.	87	49	
2 939	Textron Inc.	201	185	
583	TransDigm Group Inc.	198	271	
2 237	TransUnion	214	174	
8 895	Union Pacific Corp.	1 296	1 679	
769	United Continental Holdings Inc.	62	88	
8 292	United Parcel Service Inc.	1 241	1 105	
969	United Rentals Inc.	174	136	
9 766	United Technologies Corp.	1 462	1 420	
1 938	Verisk Analytics Inc.	212	289	
1 069	Wabtec Corp.	105	103	
5 168	Waste Management Inc.	515	628	
1 479	XPO Logistics Inc.	198	115	
2 161	Xylem Inc.	174	197	
		33 441	31 886	8.8

Information Technology				
7 711	Accenture Plc., Class A	1 324	1 485	
6 006	Adobe Inc.	1 160	1 856	
10 901	Advanced Micro Devices Inc.	214	275	
1 938	Akamai Technologies Inc.	125	162	
577	Alliance Data Systems Corp.	163	118	
1 715	Amdocs Ltd.	140	137	
3 553	Amphenol Corp., Class A	379	393	
4 516	Analog Devices Inc.	487	529	
1 002	Ansys Inc.	165	196	
57 756	Apple Inc.	11 352	12 443	
11 865	Applied Materials Inc.	765	531	
685	Arista Networks Inc.	168	197	
1 069	Arrow Electronics Inc.	109	101	
2 684	Autodesk Inc.	394	471	
5 301	Automatic Data Processing Inc.	741	949	
1 238	Avnet Inc.	63	61	
4 995	Broadcom Inc.	1 523	1 735	
1 392	Broadridge Financial Solutions Inc.	148	183	
3 312	Cadence Design Systems Inc.	168	197	
1 615	CDK Global Inc.	129	106	
1 738	CDW Corp.	151	192	
1 433	Check Point Software Technologies Ltd.	207	201	
55 152	Cisco Systems Inc.	2 376	3 264	
1 656	Citrix Systems Inc.	165	232	
7 106	Cognizant Technology Solutions Corp., Class A	647	616	
9 613	Corning Inc.	366	397	
3 404	DXC Technology Co.	370	247	
746	F5 Networks Inc.	116	165	
3 976	Fidelity National Information Services Inc.	469	557	
4 796	Fiserv Inc.	389	481	
1 069	FleetCor Technologies Inc.	215	271	
6 460	Flex Ltd.	135	67	

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology (cont.)				
1 069	Gartner Inc.	\$ 169	\$ 187	
1 908	Global Payments Inc.	235	269	
1 946	GoDaddy Inc.	202	174	
17 699	Hewlett Packard Enterprise Co.	327	319	
19 410	HP Inc.	492	542	
55 563	Intel Corp.	2 777	3 561	
11 050	International Business Machines	2 038	1 716	
2 934	Intuit Inc.	533	789	
372	IPG Photonics Corp.	120	58	
1 938	Jabil Inc.	71	66	
4 140	Juniper Networks Inc.	148	152	
2 261	Keysight Technologies Inc.	121	192	
1 838	KLA-Tencor Corp.	237	225	
1 838	Lam Research Corp.	424	342	
6 567	Marvell Technology Group Ltd.	162	145	
11 050	Mastercard Inc.	2 011	2 847	
3 330	Maxim Integrated Products	204	231	
2 766	Microchip Technology Inc.	312	272	
13 703	Micron Technology Inc.	715	594	
92 207	Microsoft Corp.	8 846	12 791	
1 938	Motorola Solutions Inc.	211	305	
3 230	NetApp Inc.	185	263	
3 553	Nuance Communications Inc.	71	64	
7 000	Nvidia Corp.	1 625	1 276	
4 146	NXP Semiconductor N.V.	586	415	
30 923	Oracle Corporation	1 886	1 907	
1 069	Palo Alto Networks Inc.	198	275	
3 876	Paychex Inc.	302	345	
14 323	PayPal Holdings Inc.	1 194	1 645	
1 364	PTC Inc.	181	154	
1 515	Qorvo Inc.	136	126	
14 712	QUALCOMM Inc.	975	1 144	
2 161	Red Hat Inc.	306	518	
8 729	Salesforce.com Inc.	1 099	1 633	
3 353	Seagate Technology	146	177	
2 120	ServiceNow Inc.	337	516	
1 113	Shopify Inc., Class A	232	210	
2 161	Skyworks Solutions Inc.	277	198	
1 707	Splunk Inc.	149	244	
3 401	Square Inc., Class A	374	261	
2 428	SS&C Technologies Holdings Inc.	172	150	
7 421	Symantec Corp.	302	192	
1 747	SynOpsys Inc.	179	201	
4 099	TE Connectivity Ltd.	438	423	
11 670	Texas Instruments Inc.	1 328	1 506	
5 491	The Western Union Co.	133	128	
2 161	Total System Services Inc.	182	240	
2 907	Trimble Inc.	148	131	
1 251	Verisign Inc.	185	253	
21 420	Visa Inc., Class A	2 875	3 860	
869	VMware Inc.	128	163	
3 553	Western Digital Corp.	367	179	
1 750	Workday Inc.	240	382	
3 638	Worldpay Inc.	341	380	
2 579	Xerox Corp.	106	70	
3 090	Xilinx Inc.	276	359	
		63 337	74 580	20.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
2 639	Air Products & Chemicals Inc.	\$ 509	\$ 577	
1 292	Albemarle Corp.	219	136	
2 261	Alcoa Corp.	136	82	
746	Ashland Global Holdings Inc.	65	72	
1 069	Avery Dennison Corp.	135	131	
3 999	Ball Corp.	208	251	
1 615	Celanese Corp.	216	198	
2 707	CF Industries Holdings Inc.	121	161	
27 951	DowDuPont Inc.	2 459	2 042	
1 715	Eastman Chemical Company	197	171	
3 080	Ecolab Inc.	508	620	
1 615	FMC Corp.	182	163	
17 370	Freeport-McMoRan Inc.	319	245	
1 194	International Flavors & Fragrances Inc.	217	219	
4 845	International Paper Co.	347	267	
6 689	Linde Plc.	1 323	1 426	
3 776	LyondellBasell Industries N.V.	473	429	
746	Martin Marietta Materials	193	175	
6 460	Newmont Mining Corporation	308	306	
3 876	Nucor Corp.	274	274	
1 161	Packaging Corp. of America	170	132	
2 898	PPG Industries Inc.	407	405	
1 879	Sealed Air Corp.	103	89	
1 006	Sherwin-Williams Co.	479	541	
969	Southern Copper Corp.	50	41	
2 728	Steel Dynamics Inc.	160	112	
4 199	The Mosaic Co.	116	168	
1 615	Vulcan Materials Co.	242	218	
423	Westlake Chemical Corporation	48	38	
3 104	WestRock Co.	224	160	
		10 408	9 849	2.7
Real Estate				
1 246	Alexandria Real Estate Equities Inc.	191	196	
5 260	American Tower Corp.			
	Real Estate Investment Trust	907	1 136	
1 661	AvalonBay Communities Inc.			
	Real Estate Investment Trust	370	395	
1 838	Boston Properties Inc.	282	283	
1 313	Brookfield Property REIT Inc., Class A	34	29	
3 835	CBRE Group Inc.	189	210	
4 978	Crown Castle International Corp.			
	Real Estate Investment Trust	628	739	
2 484	Digital Realty Trust Inc.	361	361	
4 199	Duke Realty Corporation			
	Real Estate Investment Trust	152	149	
969	Equinix Inc. Real Estate			
	Investment Trust	536	467	
4 291	Equity Residential Properties Trust	353	387	
797	Essex Property Trust Inc.	253	267	
1 465	Extra Space Storage Inc.			
	Real Estate Investment Trust	148	181	
869	Federal Realty Investment Trust	136	140	
5 673	HCP Inc. Real Estate			
	Investment Trust	192	216	
1 938	Hospitality Properties Trust	69	63	

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate (cont.)				
8 713	Host Marriott Corp.	\$ 200	\$ 198	
3 492	Invitation Homes Inc.			
	Real Estate Investment Trust	104	96	
3 412	Iron Mountain Inc. Real Estate			
	Investment Trust	165	151	
4 845	Kimco Realty Corp.	115	97	
1 798	Liberty Property Trust	95	103	
1 365	Mid-America Apartment			
	Communities Inc. Real Estate			
	Investment Trust	182	178	
2 449	Park Hotels & Resorts Inc.			
	Real Estate Investment Trust	86	87	
7 578	ProLogis Inc. Trust	611	608	
1 801	Public Storage Inc. Real Estate			
	Investment Trust	478	498	
3 508	Realty Income Corp. Real Estate			
	Investment Trust	251	302	
1 832	Regency Centers Corp.			
	Real Estate Investment Trust	143	147	
1 392	SBA Communications Corp.,			
	Class A Real Estate			
	Investment Trust	257	308	
3 729	Simon Property Group Inc.	749	856	
1 020	SL Green Realty Corp.			
	Real Estate Investment Trust	131	110	
1 615	The Macerich Company	112	95	
3 230	UDR Inc. Real Estate			
	Investment Trust	153	175	
4 299	Ventas Inc. Real Estate			
	Investment Trust	341	344	
11 620	VEREIT Inc. Real Estate			
	Investment Trust	122	113	
2 033	Vornado Realty Trust	195	172	
4 522	Welltower Inc. Real Estate			
	Investment Trust	391	429	
9 044	Weyerhaeuser Company Ltd.	386	270	
		10 068	10 556	2.9
Utilities				
7 729	AES Corp.	109	153	
2 761	Alliant Energy Corp.	143	159	
2 907	Ameren Corporation	211	259	
5 906	American Electric Power	522	603	
2 161	American Water Works Co. Inc.	222	268	
646	Avangrid Inc.	38	44	
5 940	Centerpoint Energy Inc.	215	229	
3 409	CMS Energy Corp.	199	231	
3 730	Consolidated Edison Inc.	380	390	
7 844	Dominion Energy Inc.	747	766	
2 161	DTE Energy Company	289	326	
8 589	Duke Energy Corp.	904	1 011	
3 876	Edison International	371	301	
2 161	Entergy Corp.	206	254	
3 210	Evergy Inc.	232	249	
3 876	Eversource Energy	293	344	
11 580	Exelon Corp.	553	713	
5 834	FirstEnergy Corporation	235	299	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities (cont.)				
2 261	MDU Resources Group Inc.	\$ 75	\$ 74	
5 798	NextEra Energy Inc.	1 085	1 375	
4 336	NiSource Inc.	140	150	
3 544	NRG Energy Inc.	116	192	
6 132	PG&E Corporation	513	199	
1 392	Pinnacle West Capital Corp.	149	162	
8 449	PPL Corporation	390	326	
6 137	Public Service Enterprise Group	358	435	
1 715	SCANA Corp.	104	112	
3 289	Sempra Energy	471	485	
12 425	Southern Co.	757	744	
4 665	Vistra Energy Corp.	144	145	
3 876	WEC Energy Group Inc.	308	367	
6 137	Xcel Energy Inc.	363	413	
		10 842	11 778	3.2
TOTAL UNITED STATES EQUITIES		340 036	361 260	99.5
Less: Transaction costs		(1)	—	—
TOTAL INVESTMENTS		<u>\$ 340 035</u>	361 260	99.5
OTHER NET ASSETS ATTRIBUTABLE TO				
HOLDERS OF REDEEMABLE UNITS				
			1 287	0.5
NET ASSETS ATTRIBUTABLE TO				
HOLDERS OF REDEEMABLE UNITS				
		<u>\$ 362 547</u>		100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 361 260	\$ 375 965
Cash	3 124	747
Due from investment dealers	6 690	994
Subscriptions receivable	1 111	–
Dividends receivable, interest accrued and other assets	375	330
TOTAL ASSETS	372 560	378 036
LIABILITIES		
Due to investment dealers	1 116	375
Redemptions payable	6 666	–
Distributions payable	2 198	1 009
Accounts payable and accrued expenses	33	35
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	10 013	1 419
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 362 547	\$ 376 617
Investments at cost	\$ 340 035	\$ 356 327
NAV PER UNIT	\$ 22.45	\$ 22.02

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 8 117	\$ 1 844
Income from investment trusts	548	(2)
Net realized gain (loss) on investments	5 654	1 212
Change in unrealized gain (loss) on investments	1 587	19 638
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	15 906	22 692
Other income (loss)	8	–
Securities lending revenue		
(see note 8 in the generic notes)	29	4
Net gain (loss) on foreign cash balances	95	(3)
TOTAL OTHER INCOME (LOSS)	132	1
TOTAL INCOME (LOSS)	16 038	22 693
EXPENSES (see notes – ETF Specific Information)		
Management fees	356	85
GST/HST	53	11
Transaction costs	2	–
Withholding tax	1 369	291
TOTAL EXPENSES	1 780	387
INCREASE (DECREASE) IN NAV	\$ 14 258	\$ 22 306
INCREASE (DECREASE) IN NAV PER UNIT	\$ 0.84	\$ 1.57

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 14 258	\$ 22 306
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	10
Net realized loss (gain) on investments	(5 654)	(1 212)
Change in unrealized loss (gain) on investments	(1 587)	(19 638)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	(45)	(330)
Increase (decrease) in accrued payables	(2)	35
Cost of investments purchased*	(17 883)	(3 252)
Proceeds from sale and maturity of investments*	18 916	2 164
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	8 003	83
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	38	696
Cash paid on redemption of redeemable units*	(113)	(22)
Distributions paid to holders of redeemable units	(5 551)	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (5 626)	\$ 674
Net unrealized foreign exchange gain (loss) on cash	—	(10)
Net increase (decrease) in cash for the period	2 377	757
Cash (bank overdraft), beginning of period	747	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 3 124	\$ 747
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ —	\$ —
Dividends received, net of withholding taxes	\$ 6 703	\$ 1 223

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 376 617	\$ —
INCREASE (DECREASE) IN NAV	14 258	22 306
Early redemption fees	—	—
Proceeds from redeemable units issued	19 701	368 916
Reinvestments of distributions to holders of redeemable units	3 490	301
Redemption of redeemable units	(41 289)	(13 596)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(18 098)	355 621
Distributions from net income	(6 740)	(959)
Distributions from net gains	(3 490)	(351)
Distributions from capital	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(10 230)	(1 310)
NET INCREASE (DECREASE) IN NAV	(14 070)	376 617
NAV AT END OF PERIOD	\$ 362 547	\$ 376 617

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to replicate, to the extent possible and before fees and expenses, the performance of a broad U.S. equity index. Currently, the ETF seeks to track the FTSE USA Index (or any successor thereto).

The ETF was started August 9, 2017.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United States Equities		
Information Technology	20.6	24.3
Health Care	15.0	13.4
Financials	13.5	15.0
Consumer Discretionary	10.3	12.8
Communication Services	10.1	2.1
Industrials	8.8	9.5
Consumer Staples	7.2	8.0
Energy	5.2	6.0
Utilities	3.2	2.9
Real Estate	2.9	2.9
Materials	2.7	3.0
Other Net Assets	0.5	0.1
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	100.0	100.3
Total	100.0	100.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 15-month historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018
S&P 500 Total Return Index (CAD)	+ or - 1.0

Due to the fact that the ETF was in existence for less than six months prior to December 31, 2017, no comparative disclosure is provided because there is insufficient data, and any resulting calculation of the impact on the NAV of the ETF using historical correlation between the ETF's return and a broad-based index could be materially misleading.

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	361 260	–	–	361 260
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	361 260	–	–	361 260
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	375 965	–	–	375 965
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	375 965	–	–	375 965
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.09% annually, before GST/HST, of the daily NAV of the ETF.

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	17 100	—
Issued number of units	850	17 700
Reinvested number of units	153	14
Units consolidated*	(153)	(14)
Redeemed number of units	(1 800)	(600)
Ending number of units	16 150	17 100

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	2	100	—	—
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	—	—	—	—

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	23 524	25 429
Fair value of collateral received	23 995	25 938

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	41	100	5	100
RBC IS (paid)	(10)	(25)	(1)	(25)
Tax withheld	(2)	(5)	—	(9)
ETF revenue	29	70	4	66

Investments by other related investment funds (%) (see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC U.S. Index Currency Neutral Fund	93.7	98.3

Subsequent event

RBC GAM has called and will hold a special meeting of unitholders of the ETF on March 22, 2019. Subject to unitholder and regulatory approvals, the ETF will be merged into the iShares Core S&P 500 Index ETF, an ETF managed by BlackRock Asset Management Canada Limited, effective on or about April 5, 2019. The ETF will terminate following completion of the merger.



Statement of Financial Position

	December 31
(see note 2 in the generic notes)	2018
ASSETS	
Cash	\$ 20
TOTAL ASSETS	20
NET ASSETS ATTRIBUTABLE TO HOLDERS	
OF REDEEMABLE UNITS ("NAV")	\$ 20
NAV PER UNIT	\$ 20

Statement of Comprehensive Income

For the period ended December 31	2018
(see note 2 in the generic notes)	
TOTAL INCOME (LOSS)	\$ —
TOTAL EXPENSES	—
INCREASE (DECREASE) IN NAV	\$ —
INCREASE (DECREASE) IN NAV PER UNIT	\$ —



Statement of Cash Flow

For the period ended December 31
(see note 2 in the generic notes)

2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (decrease) in NAV \$ —

ADJUSTMENTS TO RECONCILE NET CASH

PROVIDED BY (USED IN) OPERATIONS

Interest for distribution purposes —

Net unrealized foreign exchange (gain) loss
on cash —

Net realized loss (gain) on investments —

Change in unrealized loss (gain) on investments —

Non-cash distributions from underlying funds —

(Increase) decrease in accrued receivables —

Increase (decrease) in accrued payables —

Cost of investments purchased* —

Proceeds from sale and maturity of investments* —

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES

—

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of redeemable units* 20

Cash paid on redemption of redeemable units* —

Distributions paid to holders of redeemable units —

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES

\$ 20

Net unrealized foreign exchange gain (loss)
on cash —

Net increase (decrease) in cash for the period 20

Cash (bank overdraft), beginning of period —

CASH (BANK OVERDRAFT), END OF PERIOD \$ 20

Interest received (paid) \$ —

Income received from investment trusts \$ —

Dividends received, net of withholding taxes \$ —

* Excludes in-kind transactions.



Statement of Changes in NAV

For the period ended December 31 (see note 2 in the generic notes)	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —
INCREASE (DECREASE) IN NAV	—
Early redemption fees	—
Proceeds from redeemable units issued	20
Reinvestments of distributions to holders of redeemable units	—
Redemption of redeemable units	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	20
Distributions from net income	—
Distributions from net gains	—
Distributions from capital	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—
NET INCREASE (DECREASE) IN NAV	20
NAV AT END OF PERIOD	\$ 20

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The ETF was created April 20, 2018. The ETF is not launched and on or about April 5, 2019, the ETF will be terminated.

Subsequent event

Effective on or about April 5, 2019, the ETF will be terminated.

The ETF has applied IFRS on a non-going concern basis for the period ended December 31, 2018. In this case, the non-going concern basis of preparation in accordance with IFRS does not result in any material adjustments to the carrying amounts of assets and liabilities of the ETF prepared on a going concern basis in accordance with IFRS.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC U.S. BANKS YIELD INDEX ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNITED STATES EQUITIES				
Financials				
2 952	American Express Company	\$ 393	\$ 384	
11 029	Bank of America Corp.	428	371	
6 409	Bank of New York Mellon Corp.	448	412	
18 526	BB&T Corporation	1 262	1 096	
3 396	Capital One Financial Corp.	425	351	
9 275	Citigroup Inc.	836	659	
16 257	Citizens Financial Group Inc.	856	660	
4 355	Discover Financial Services	423	351	
22 497	Fifth Third Bancorp	887	723	
5 571	JPMorgan Chase & Co.	801	743	
50 154	KeyCorp	1 309	1 012	
1 835	M&T Bank Corp.	419	359	
3 225	Northern Trust Corp.	440	368	
7 090	PNC Bank Corp.	1 282	1 132	
9 711	Prudential Financial Inc.	1 243	1 082	
53 672	Regions Financial Corp.	1 304	981	
8 831	State Street Corp.	951	761	
14 536	Suntrust Banks Inc.	1 256	1 001	
21 026	Synchrony Financial	866	674	
11 619	U.S. Bancorp	782	725	
17 109	Wells Fargo & Company	1 225	1 077	
TOTAL UNITED STATES EQUITIES		17 836	14 922	99.6
Less: Transaction costs		(1)	—	—
TOTAL INVESTMENTS		<u>\$ 17 835</u>	14 922	99.6
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			56	0.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$</u>	<u>14 978</u>	100.0

The accompanying notes are an integral part of the financial statements.



Statement of Financial Position

(in \$000s except per unit amounts)

	December 31 2018
(see note 2 in the generic notes)	
ASSETS	
Investments at fair value	\$ 14 922
Cash	82
Dividends receivable, interest accrued and other assets	29
TOTAL ASSETS	15 033
LIABILITIES	
Distributions payable	50
Accounts payable and accrued expenses	5
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	55
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 14 978
Investments at cost	\$ 17 835
NAV	
CAD UNITS	\$ 9 985
USD UNITS	\$ 4 993
NAV PER UNIT	
CAD UNITS	\$ 16.64
USD UNITS*	\$ 12.19

* Stated in U.S. dollars.

Statement of Comprehensive Income

(in \$000s except per unit amounts)

	For the period ended December 31 (see note 2 in the generic notes)	2018
INCOME (see note 3 in the generic notes)		
Dividends	\$	325
Net realized gain (loss) on investments		(1 145)
Change in unrealized gain (loss) on investments		(2 913)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES		(3 733)
Securities lending revenue (see note 8 in the generic notes)		1
Net gain (loss) on foreign cash balances		2
TOTAL OTHER INCOME (LOSS)		3
TOTAL INCOME (LOSS)		(3 730)
EXPENSES (see notes – ETF Specific Information)		
Management fees		34
GST/HST		4
Transaction costs		3
Withholding tax		49
TOTAL EXPENSES		90
INCREASE (DECREASE) IN NAV	\$	(3 820)
INCREASE (DECREASE) IN NAV		
CAD UNITS	\$	(2 847)
USD UNITS	\$	(973)
INCREASE (DECREASE) IN NAV PER UNIT		
CAD UNITS	\$	(4.18)
USD UNITS*	\$	(3.16)

* Stated in U.S. dollars.



Statement of Cash Flow *(in \$000s)*

For the period ended December 31
(see note 2 in the generic notes)

2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (decrease) in NAV \$ (3 820)

ADJUSTMENTS TO RECONCILE NET CASH

PROVIDED BY (USED IN) OPERATIONS

Interest for distribution purposes —

Net unrealized foreign exchange (gain) loss
on cash (2)

Net realized loss (gain) on investments 1 145

Change in unrealized loss (gain) on investments 2 913

Non-cash distributions from underlying funds —

(Increase) decrease in accrued receivables (29)

Increase (decrease) in accrued payables 5

Cost of investments purchased* (5 756)

Proceeds from sale and maturity of investments* 5 761

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES 217

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of redeemable units* 4

Cash paid on redemption of redeemable units* (1)

Distributions paid to holders of redeemable units (140)

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES \$ (137)

Net unrealized foreign exchange gain (loss)
on cash 2

Net increase (decrease) in cash for the period 80

Cash (bank overdraft), beginning of period —

CASH (BANK OVERDRAFT), END OF PERIOD \$ 82

Interest received (paid) \$ —

Income received from investment trusts \$ —

Dividends received, net of withholding taxes \$ 247

* Excludes in-kind transactions.



Statement of Changes in NAV *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	CAD Units 2018	USD Units 2018	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —	\$ —
INCREASE (DECREASE) IN NAV	(2 847)	(973)	(3 820)
Early redemption fees	—	—	—
Proceeds from redeemable units issued	20 874	6 019	26 893
Reinvestments of distributions to holders of redeemable units	—	—	—
Redemption of redeemable units	(7 905)	—	(7 905)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	12 969	6 019	18 988
Distributions from net income	(137)	(53)	(190)
Distributions from net gains	—	—	—
Distributions from capital	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(137)	(53)	(190)
NET INCREASE (DECREASE) IN NAV	9 985	4 993	14 978
NAV AT END OF PERIOD	\$ 9 985	\$ 4 993	\$ 14 978

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to replicate, to the extent possible and before fees and expenses, the performance of a U.S. bank stocks index. Currently, the ETF seeks to track the Solactive U.S. Bank Yield Index (or any successor thereto).

The ETF was started April 20, 2018.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018
Investment mix	
United States Equities	
Financials	99.6
Other Net Assets	0.4
Total	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018
Currency	
United States dollar	100.0
Total	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 5.0%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

Due to the fact that the ETF has been fully invested for less than six months, the impact on the NAV of the ETF using the historical correlation between the ETF's return and a broad-based index is not disclosed because there is insufficient data and any resulting calculation could be materially misleading.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	14 922	–	–	14 922
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	14 922	–	–	14 922
% of total portfolio	100.0	–	–	100.0

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
CAD Units	0.29%
USD Units	0.29%

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	12
Non-capital losses	–



December 31, 2018

**Redeemable units (000s)
(see note 6 in the generic notes)**

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the period ended December 31
(see note 2 in the generic notes)

	2018
CAD Units	
Opening units	—
Issued number of units	1 050
Reinvested number of units	—
Redeemed number of units	(450)
Ending number of units	600

USD Units	
Opening units	—
Issued number of units	300
Reinvested number of units	—
Redeemed number of units	—
Ending number of units	300

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the period ended:

	December 31 2018	
	\$	%
Total transaction costs	3	100
Related-party brokerage commissions*	—	—
Commission arrangements†	—	—

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018
Fair value of securities loaned	759
Fair value of collateral received	775

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statement of Comprehensive Income.

	December 31 2018	
	\$	%
Gross revenue	2	100
RBC IS (paid)	(1)	(25)
Tax withheld	—	—
ETF revenue	1	75

**Investments by other related investment funds (%)
(see note 9 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018
RBC U.S. Banks Yield (CAD Hedged) Index ETF	16.0



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC U.S. BANKS YIELD (CAD HEDGED) INDEX ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
143 748	RBC U.S. Banks Yield Index ETF*	\$ 2 890	\$ 2 392	
TOTAL UNDERLYING FUNDS		2 890	2 392	102.4
Less: Transaction Costs		—	—	—
TOTAL INVESTMENTS		<u>\$ 2 890</u>	2 392	102.4
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)			4	0.2
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)			(63)	(2.7)
TOTAL PORTFOLIO			2 333	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			3	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 2 336</u>		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 56 Sold CAD 75 @ 1.3363	15-Jan-2019	\$ 2
Bought USD 56 Sold CAD 76 @ 1.3408	15-Jan-2019	1
Bought USD 75 Sold CAD 102 @ 1.3581	15-Jan-2019	1
		<u>\$ 4</u>

Contracts	Maturity Date	Unrealized Loss
Bought CAD 2 501 Sold USD 1 878 @ 1.3319	15-Jan-2019	\$ (63)
		<u>\$ (63)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (59)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 9 in the generic notes).



Statement of Financial Position

(in \$000s except per unit amounts)

	December 31 2018
(see note 2 in the generic notes)	
ASSETS	
Investments at fair value	\$ 2 392
Cash	1
Dividends receivable, interest accrued and other assets	8
TOTAL ASSETS	2 401
LIABILITIES	
Unrealized loss on foreign exchange contracts	59
Distributions payable	6
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	65
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 2 336
Investments at cost	\$ 2 890
NAV PER UNIT	\$ 15.57

Statement of Comprehensive Income

(in \$000s except per unit amounts)

For the period ended December 31 (see note 2 in the generic notes)	2018
INCOME (see note 3 in the generic notes)	
Income from investment trusts	\$ 45
Derivative income	(245)
Net realized gain (loss) on investments	(208)
Change in unrealized gain (loss) on investments	(498)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(906)
Securities lending revenue (see note 8 in the generic notes)	1
TOTAL OTHER INCOME (LOSS)	1
TOTAL INCOME (LOSS)	(905)
INCREASE (DECREASE) IN NAV	\$ (905)
INCREASE (DECREASE) IN NAV PER UNIT	\$ (3.62)



Statement of Cash Flow *(in \$000s)*

For the period ended December 31
(see note 2 in the generic notes)

2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (decrease) in NAV \$ (905)

ADJUSTMENTS TO RECONCILE NET CASH

PROVIDED BY (USED IN) OPERATIONS

Interest for distribution purposes —

Net unrealized foreign exchange (gain) loss
on cash —

Net realized loss (gain) on investments 208

Change in unrealized loss (gain) on investments 557

Non-cash distributions from underlying funds —

(Increase) decrease in accrued receivables (8)

Increase (decrease) in accrued payables —

Cost of investments purchased* (67)

Proceeds from sale and maturity of investments* 265

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES 50

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of redeemable units* 20

Cash paid on redemption of redeemable units* (30)

Distributions paid to holders of redeemable units (39)

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES \$ (49)

Net unrealized foreign exchange gain (loss)
on cash —

Net increase (decrease) in cash for the period 1

Cash (bank overdraft), beginning of period —

CASH (BANK OVERDRAFT), END OF PERIOD \$ 1

Interest received (paid) \$ —

Income received from investment trusts \$ 45

Dividends received, net of withholding taxes \$ —

* Excludes in-kind transactions.



Statement of Changes in NAV *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —
INCREASE (DECREASE) IN NAV	(905)
Early redemption fees	—
Proceeds from redeemable units issued	7 978
Reinvestments of distributions to holders of redeemable units	—
Redemption of redeemable units	(4 692)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	3 286
Distributions from net income	(45)
Distributions from net gains	—
Distributions from capital	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(45)
NET INCREASE (DECREASE) IN NAV	2 336
NAV AT END OF PERIOD	\$ 2 336



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to replicate, to the extent possible and before fees and expenses, the performance of a U.S. bank stocks index, either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate, while seeking to minimize exposure to currency fluctuations between the U.S. dollar and the Canadian dollar. Currently, the ETF seeks to track the Solactive U.S. Bank Yield (CAD Hedged) Index (or any successor thereto) by investing substantially all of its assets in units of the RBC U.S. Banks Yield Index ETF.

The ETF was started April 20, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

The ETF invests in the RBC U.S. Banks Yield Index ETF. The ETF's exposure to financial instrument risk is based on the underlying ETF asset mix. The following tables present the ETF's direct risks and pro rata exposure to the risks of the underlying ETF.

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018
Investment mix	
United States Equities	
Financials	99.6
Other Net Assets	0.4
Total	100.0

Currency risk (% of NAV)

Since the currency risk of the ETF has been hedged using foreign exchange contracts, the ETF has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

Due to the fact that the ETF has been fully invested for less than six months, the impact on the NAV of the ETF using the historical correlation between the ETF's return and a broad-based index is not disclosed because there is insufficient data and any resulting calculation could be materially misleading.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	2 392	–	–	2 392
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	(59)	–	(59)
Total financial instruments	2 392	(59)	–	2 333
% of total portfolio	102.5	(2.5)	–	100.0

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

A management fee is not charged directly to the ETF as this ETF invests in the units of other RBC ETFs.

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the ETF's interest in the sponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018	
	NAV	Ownership
RBC U.S. Banks Yield Index ETF	102.4	16.0

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	385
Non-capital losses	–



December 31, 2018

Redeemable units (000s)

(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the period ended December 31
(see note 2 in the generic notes)

	2018
Opening units	–
Issued number of units	400
Reinvested number of units	–
Redeemed number of units	(250)
Ending number of units	150

Securities lending revenue (\$000s except %)

(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018
Fair value of securities loaned	10
Fair value of collateral received	10

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statement of Comprehensive Income.

	December 31 2018	
	\$	%
Gross revenue	1	100
RBC IS (paid)	–	(25)
Tax withheld	–	–
ETF revenue	1	75

Offsetting financial assets and liabilities (\$000s)

(see note 3 in the generic notes)

The following is a summary of the amounts for which the ETF has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the ETF if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	4	(63)
Amounts set-off in the		
Statement of Financial Position	(4)	4
Net amounts presented in the		
Statement of Financial Position	–	(59)
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	–	(59)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC QUANT EUROPEAN DIVIDEND LEADERS ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EUROPEAN EQUITIES				
Communication Services				
12 277	1&1 Drillisch AG	\$ 802	\$ 853	
375 814	BT Group Plc.	1 790	1 557	
17 568	Elisa OYJ	852	990	
251 103	ITV Plc.	755	545	
21 899	ProSiebenSat.1 Media SE	922	532	
24 938	Proximus	1 041	920	
5 694	RTL Group S.A.	552	415	
2 036	Swisscom AG	1 305	1 325	
164 601	Telefonica S.A.	2 213	1 886	
52 338	Telenor ASA	1 205	1 383	
		11 437	10 406	9.3
Consumer Discretionary				
36 063	Hennes & Mauritz AB, Series B	1 035	700	
5 967	Hugo Boss AG	601	502	
12 657	Nokia Renkaat OYJ	584	530	
5 792	Paddy Power Betfair Plc.	814	648	
8 666	Pandora A/S	1 065	481	
17 565	Persimmon Plc.	665	590	
31 403	Schaeffler AG Preference	509	366	
29 815	TUI AG	624	584	
		5 897	4 401	3.9
Consumer Staples				
41 340	Imperial Brands Plc.	1 969	1 709	
54 234	Jeronimo Martins SGPS S.A.	859	876	
40 508	Marine Harvest	1 003	1 167	
37 675	Unilever N.V.	2 624	2 789	
		6 455	6 541	5.8
Energy				
274 999	Royal Dutch Shell Plc., B Shares	12 420	11 194	
		12 420	11 194	10.0
Financials				
37 569	ABN AMRO Group N.V.	1 366	1 205	
9 273	Allianz SE	2 282	2 536	
11 434	Amundi S.A.	1 147	824	
72 187	Assicurazioni Generali S.p.A.	1 543	1 646	
63 865	AXA S.A.	2 141	1 880	
264 275	BBVA S.A.	2 111	1 913	
32 683	BNP Paribas S.A.	2 584	2 014	
30 278	CNP Assurances	810	876	
50 415	Danske Bank A/S	1 441	1 360	
62 086	DnB ASA	1 508	1 353	
24 625	Erste Bank Der Oesterreichischen Sparkassen AG	1 400	1 117	
39 938	Gjensidige Forsikring ASA	860	852	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
126 617	ING Groep N.V.	\$ 2 402	\$ 1 860	
111 389	Investec Plc.	1 003	855	
16 368	KBC Groep N.V.	1 612	1 449	
354 089	Legal & General Group Plc.	1 584	1 423	
87 511	Mediobanca S.p.A.	1 143	1 008	
131 102	Natixis	1 074	843	
148 089	Nordea Bank Abp	2 120	1 701	
25 865	Sampo OYJ	1 654	1 551	
107 840	Skandinaviska Enskilda Banken	1 479	1 430	
35 609	Société Générale	1 769	1 547	
101 630	Svenska Handelsbanken AB	1 706	1 539	
52 609	Swedbank AB	1 617	1 603	
2 695	Swiss Life Holding	1 255	1 414	
25 189	Tryg A/S	714	864	
119 157	UBS Group AG	2 163	2 020	
		42 488	38 683	34.6
Health Care				
8 127	Coloplast A/S	857	1 029	
9 075	H. Lundbeck A/S	525	542	
33 538	Novo Nordisk A/S	1 813	2 090	
15 564	Orion OYJ	712	736	
7 802	Roche Holdings AG Genussscheine	2 285	2 631	
		6 192	7 028	6.3
Industrials				
44 350	Adecco S.A.	3 386	2 822	
15 633	Kuehne + Nagel International AG	2 967	2 737	
1 104	SGS S.A.	3 351	3 380	
14 913	Société BIC S.A.	2 011	2 076	
		11 715	11 015	9.8
Materials				
117 383	BHP Group Plc.	3 241	3 372	
24 480	Covestro AG	2 094	1 650	
53 636	Rio Tinto Plc.	3 481	3 480	
42 864	Smurfit Kappa Group Plc.	2 277	1 557	
		11 093	10 059	9.0
Real Estate				
2 797	ICADE Real Estate Investment Trust	308	290	
9 248	Klepierre Real Estate Investment Trust	422	389	
3 774	Swiss Prime Site AG	449	416	
2 698	Unibail-Rodamco-Westfield	811	570	
10 085	Vonovia SE	529	623	
		2 519	2 288	2.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities				
626 679	Centrica Plc.	\$ 1 900	\$ 1 471	
157 955	E.ON SE	2 190	2 128	
47 954	Endesa S.A.	1 410	1 507	
54 602	Fortum OYJ	1 345	1 627	
54 208	Red Electrica Corp. S.A.	1 503	1 649	
92 767	SSE Plc.	2 238	1 744	
		10 586	10 126	9.1
TOTAL EUROPEAN EQUITIES		120 802	111 741	99.8
Less: Transaction costs		(295)	—	—
TOTAL INVESTMENTS		<u>\$ 120 507</u>	111 741	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			96	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 111 837</u>	100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 111 741	\$ 204 014
Cash	417	669
Due from investment dealers	1 414	8
Dividends receivable, interest accrued and other assets	73	391
TOTAL ASSETS	113 645	205 082
LIABILITIES		
Due to investment dealers	–	8
Distributions payable	1 754	496
Accounts payable and accrued expenses	54	97
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 808	601
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 111 837	\$ 204 481
Investments at cost	\$ 120 507	\$ 193 554
NAV		
CAD UNITS	\$ 102 342	\$ 188 028
USD UNITS	\$ 9 495	\$ 16 453
NAV PER UNIT		
CAD UNITS	\$ 21.10	\$ 23.50
USD UNITS*	\$ 15.45	\$ 18.76

* Stated in U.S. dollars.

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 8 384	\$ 6 088
Income from investment trusts	342	–
Net realized gain (loss) on investments	7 076	1 980
Change in unrealized gain (loss) on investments	(19 226)	7 542
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(3 424)	15 610
Other income (loss)	(2)	–
Securities lending revenue (see note 8 in the generic notes)	143	153
Net gain (loss) on foreign cash balances	(15)	37
TOTAL OTHER INCOME (LOSS)	126	190
TOTAL INCOME (LOSS)	(3 298)	15 800
EXPENSES (see notes – ETF Specific Information)		
Management fees	800	759
Independent Review Committee costs	4	3
GST/HST	73	71
Transaction costs	629	568
Withholding tax	1 153	726
TOTAL EXPENSES	2 659	2 127
INCREASE (DECREASE) IN NAV	\$ (5 957)	\$ 13 673
INCREASE (DECREASE) IN NAV		
CAD UNITS	\$ (5 345)	\$ 13 271
USD UNITS	\$ (612)	\$ 402
INCREASE (DECREASE) IN NAV PER UNIT		
CAD UNITS	\$ (0.84)	\$ 2.13
USD UNITS*	\$ (0.69)	\$ 0.68

* Stated in U.S. dollars.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (5 957)	\$ 13 673
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	(1)	—
Net realized loss (gain) on investments	(7 076)	(1 980)
Change in unrealized loss (gain) on investments	19 226	(7 542)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	318	(260)
Increase (decrease) in accrued payables	(43)	43
Cost of investments purchased*	(221 609)	(176 689)
Proceeds from sale and maturity of investments*	221 409	176 829
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	6 267	4 074
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	344	1 161
Cash paid on redemption of redeemable units*	(1 075)	(238)
Distributions paid to holders of redeemable units	(5 789)	(4 682)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (6 520)	\$ (3 759)
Net unrealized foreign exchange gain (loss) on cash	1	—
Net increase (decrease) in cash for the period	(253)	315
Cash (bank overdraft), beginning of period	669	354
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 417	\$ 669
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 342	\$ —
Dividends received, net of withholding taxes	\$ 7 549	\$ 5 104

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	CAD Units		USD Units		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 188 028	\$ 100 824	\$ 16 453	\$ 4 337	\$ 204 481	\$ 105 161
INCREASE (DECREASE) IN NAV	(5 345)	13 271	(612)	402	(5 957)	13 673
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	25 906	93 866	4 738	17 768	30 644	111 634
Reinvestments of distributions to holders of redeemable units	4 513	—	419	—	4 932	—
Redemption of redeemable units	(99 858)	(15 378)	(10 426)	(5 721)	(110 284)	(21 099)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(69 439)	78 488	(5 269)	12 047	(74 708)	90 535
Distributions from net income	(6 389)	(4 074)	(658)	(307)	(7 047)	(4 381)
Distributions from net gains	(4 513)	—	(419)	—	(4 932)	—
Distributions from capital	—	(481)	—	(26)	—	(507)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(10 902)	(4 555)	(1 077)	(333)	(11 979)	(4 888)
NET INCREASE (DECREASE) IN NAV	(85 686)	87 204	(6 958)	12 116	(92 644)	99 320
NAV AT END OF PERIOD	\$ 102 342	\$ 188 028	\$ 9 495	\$ 16 453	\$ 111 837	\$ 204 481

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure to the performance of a diversified portfolio of high-quality European dividend-paying equity securities that will provide regular income and that have the potential for long-term capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
European Equities		
Financials	34.6	32.4
Energy	10.0	15.0
Industrials	9.8	3.7
Communication Services	9.3	7.3
Utilities	9.1	6.2
Materials	9.0	5.7
Health Care	6.3	14.2
Consumer Staples	5.8	7.1
Consumer Discretionary	3.9	6.4
Real Estate	2.0	1.8
Other Net Assets	0.2	0.2
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Euro	43.3	50.2
Pound sterling	25.5	24.0
Swiss franc	15.0	9.4
Swedish krona	6.2	6.0
Danish krone	5.7	6.4
Norwegian krone	4.3	4.0
United States dollar	–	0.1
Total	100.0	100.1

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 36-month historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI Europe Total Return Net Index (CAD)	+ or - 0.9	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	111 741	–	–	111 741
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	111 741	–	–	111 741
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	204 010	–	–	204 010
Underlying funds	4	–	–	4
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	204 014	–	–	204 014
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
CAD Units	0.49%
USD Units	0.49%



December 31, 2018

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CAD Units		
Opening units	8 000	4 650
Issued number of units	1 100	4 000
Reinvested number of units	214	—
Units consolidated*	(214)	—
Redeemed number of units	(4 250)	(650)
Ending number of units	4 850	8 000
USD Units		
Opening units	700	200
Issued number of units	200	750
Reinvested number of units	20	—
Units consolidated*	(20)	—
Redeemed number of units	(450)	(250)
Ending number of units	450	700

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	629	100	568	100
Related-party brokerage commissions*	1	—	—	—
Commission arrangements†	—	—	—	—

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	11 162	33 684
Fair value of collateral received	11 385	34 358

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	191	100	208	100
RBC IS (paid)	(48)	(25)	(55)	(26)
Tax withheld	—	—	—	—
ETF revenue	143	75	153	74

Investments by other related investment funds (%) (see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Quant European Dividend Leaders (CAD Hedged) ETF	53.5	46.1



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

**RBC QUANT EUROPEAN DIVIDEND LEADERS
(CAD HEDGED) ETF**

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
2 836 226	RBC Quant European Dividend Leaders ETF*	\$ 66 929	\$ 59 848	
TOTAL UNDERLYING FUNDS		66 929	59 848	103.0
Less: Transaction costs		(5)	—	—
TOTAL INVESTMENTS		<u>\$ 66 924</u>	59 848	103.0
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
			96	0.2
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
			(1 896)	(3.3)
TOTAL PORTFOLIO			58 048	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			66	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		<u>\$ 58 114</u>		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought EUR 725 Sold CAD 1 098 @ 1.5142	15-Jan-2019	\$ 35
Bought SEK 1 948 Sold CAD 288 @ 0.1478	15-Jan-2019	12
Bought CHF 289 Sold CAD 389 @ 1.3459	15-Jan-2019	12
Bought GBP 279 Sold CAD 474 @ 1.6998	15-Jan-2019	11
Bought EUR 591 Sold CAD 916 @ 1.5492	15-Jan-2019	8
Bought CHF 211 Sold CAD 286 @ 1.3552	15-Jan-2019	7
Bought SEK 1 263 Sold CAD 191 @ 0.1509	15-Jan-2019	4
Bought DKK 603 Sold CAD 122 @ 0.2028	15-Jan-2019	4
Bought NOK 588 Sold CAD 91 @ 0.1552	15-Jan-2019	1
Bought DKK 503 Sold CAD 104 @ 0.2066	15-Jan-2019	1
Bought NOK 712 Sold CAD 111 @ 0.1562	15-Jan-2019	1
		<u>\$ 96</u>

Contracts	Maturity Date	Unrealized Loss
Bought CAD 151 Sold SEK 1 021 @ 0.1477	15-Jan-2019	\$ (7)
Bought CAD 2 690 Sold NOK 17 274 @ 0.1558	15-Jan-2019	(35)
Bought CAD 3 610 Sold DKK 17 739 @ 0.2035	15-Jan-2019	(105)
Bought CAD 4 491 Sold SEK 30 558 @ 0.1470	15-Jan-2019	(220)
Bought CAD 9 435 Sold CHF 7 002 @ 1.3474	15-Jan-2019	(277)
Bought CAD 15 285 Sold GBP 9 047 @ 1.6896	15-Jan-2019	(457)
Bought CAD 27 457 Sold EUR 18 079 @ 1.5187	15-Jan-2019	(795)
		<u>\$ (1 896)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (1 800)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 9 in the generic notes).

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 59 848	\$ 94 307
Cash	130	292
Unrealized gain on foreign exchange contracts	–	720
Dividends receivable, interest accrued and other assets	939	228
TOTAL ASSETS	60 917	95 547
LIABILITIES		
Unrealized loss on foreign exchange contracts	1 800	–
Distributions payable	1 003	185
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	2 803	185
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 58 114	\$ 95 362
Investments at cost	\$ 66 924	\$ 91 053
NAV PER UNIT	\$ 20.39	\$ 23.26

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Income from investment trusts	\$ 5 729	\$ 2 349
Derivative income	(1 807)	(2 271)
Net realized gain (loss) on investments	962	1 164
Change in unrealized gain (loss) on investments	(10 330)	3 890
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(5 446)	5 132
Other income (loss)	1	–
Securities lending revenue (see note 8 in the generic notes)	1	3
TOTAL OTHER INCOME (LOSS)	2	3
TOTAL INCOME (LOSS)	(5 444)	5 135
EXPENSES (see notes – ETF Specific Information)		
Transaction costs	7	5
TOTAL EXPENSES	7	5
INCREASE (DECREASE) IN NAV	\$ (5 451)	\$ 5 130
INCREASE (DECREASE) IN NAV PER UNIT	\$ (1.54)	\$ 1.59



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (5 451)	\$ 5 130
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	(962)	(1 164)
Change in unrealized loss (gain) on investments and foreign exchange contracts	12 847	(5 275)
Non-cash distributions from underlying funds	(2 639)	—
(Increase) decrease in accrued receivables	(711)	(71)
Increase (decrease) in accrued payables	—	—
Cost of investments purchased*	(8 080)	(4 348)
Proceeds from sale and maturity of investments*	7 476	8 158
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	2 480	2 430
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	64	224
Cash paid on redemption of redeemable units*	(162)	(107)
Distributions paid to holders of redeemable units	(2 544)	(2 380)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (2 642)	\$ (2 263)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	(162)	167
Cash (bank overdraft), beginning of period	292	125
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 130	\$ 292
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 5 018	\$ 2 278
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 95 362	\$ 57 447
INCREASE (DECREASE) IN NAV	(5 451)	5 130
Early redemption fees	—	—
Proceeds from redeemable units issued	10 161	48 953
Reinvestments of distributions to holders of redeemable units	3 928	—
Redemption of redeemable units	(38 596)	(13 962)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(24 507)	34 991
Distributions from net income	(3 362)	(1 900)
Distributions from net gains	(3 928)	—
Distributions from capital	—	(306)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(7 290)	(2 206)
NET INCREASE (DECREASE) IN NAV	(37 248)	37 915
NAV AT END OF PERIOD	\$ 58 114	\$ 95 362

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure, either directly or indirectly through investment in other ETFs managed by RBC GAM, to the performance of a diversified portfolio of high-quality European dividend-paying equity securities that will provide regular income and that have the potential for long-term capital growth, while seeking to minimize the exposure to currency fluctuations between foreign currencies and the Canadian dollar.

Financial instrument risk and capital management (see note 5 in the generic notes)

The ETF invests in the RBC Quant European Dividend Leaders ETF. The ETF's exposure to financial instrument risk is based on the underlying ETF asset mix. The following tables present the ETF's direct risks and pro rata exposure to the risks of the underlying ETF.

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
European Equities		
Financials	34.6	32.4
Energy	10.0	15.0
Industrials	9.8	3.7
Communication Services	9.3	7.3
Utilities	9.1	6.2
Materials	9.0	5.7
Health Care	6.3	14.2
Consumer Staples	5.8	7.1
Consumer Discretionary	3.9	6.4
Real Estate	2.0	1.8
Other Net Assets	0.2	0.2
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the ETF has been hedged using foreign exchange contracts, the ETF has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 36-month historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI Europe Total Return Net Index (hedged to CAD)	+ or - 0.9	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	59 848	—	—	59 848
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	(1 800)	—	(1 800)
Total financial instruments	59 848	(1 800)	—	58 048
% of total portfolio	103.1	(3.1)	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	94 307	—	—	94 307
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	720	—	720
Derivatives – liabilities	—	—	—	—
Total financial instruments	94 307	720	—	95 027
% of total portfolio	99.2	0.8	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

A management fee is not charged directly to the ETF as this ETF invests in the units of other RBC ETFs.



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the ETF's interest in the sponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Quant European Dividend Leaders ETF	103.0	53.5	98.8	46.1

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)
(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	4 100	2 600
Issued number of units	450	2 100
Reinvested number of units	193	—
Units consolidated*	(193)	—
Redeemed number of units	(1 700)	(600)
Ending number of units	2 850	4 100

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	7	100	5	100
Related-party brokerage commissions*	7	100	5	100
Commission arrangements†	—	—	—	—

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	619	—
Fair value of collateral received	631	—

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	1	100	4	100
RBC IS (paid)	—	(25)	(1)	(26)
Tax withheld	—	—	—	—
ETF revenue	1	75	3	74

Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)

The following is a summary of the amounts for which the ETF has a legal right to offset in the event of default, insolvency or bankruptcy. "Net amount" represents the impact to the ETF if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	96	(1 896)
Amounts set-off in the Statements of Financial Position	(96)	96
Net amounts presented in the Statements of Financial Position	—	(1 800)
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	—	(1 800)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	765	(45)
Amounts set-off in the Statements of Financial Position	(45)	45
Net amounts presented in the Statements of Financial Position	720	—
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	720	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC QUANT EAFE DIVIDEND LEADERS ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
INTERNATIONAL EQUITIES				
Communication Services				
16 095	1&1 Drillisch AG	\$ 1 160	\$ 1 118	
588 771	Bezeq Israeli Telecommunication Corporation Ltd.	1 170	785	
476 076	BT Group Plc.	2 300	1 972	
22 534	Elisa OYJ	1 049	1 269	
449 925	ITV Plc.	1 459	977	
80 300	KDDI Corporation	2 930	2 623	
71 300	NTT DoCoMo Inc.	1 953	2 195	
39 097	ProSiebenSat.1 Media SE	1 740	949	
32 272	Proximus	1 370	1 190	
10 214	RTL Group S.A.	1 037	745	
617 100	Singapore Telecommunications Ltd.	2 190	1 812	
325 306	Spark New Zealand Ltd.	1 018	1 236	
2 581	Swisscom AG	1 680	1 680	
210 463	Telefonica S.A.	2 343	2 412	
66 964	Telenor ASA	1 551	1 769	
491 874	Telstra Corp. Ltd.	2 105	1 348	
		27 055	24 080	6.9
Consumer Discretionary				
129 066	Barratt Developments Plc.	1 240	1 039	
34 300	Bridgestone Corp.	1 802	1 809	
38 088	Electrolux AB	1 132	1 098	
66 938	Hennes & Mauritz AB, Series B	1 940	1 300	
10 856	Hugo Boss AG	1 243	914	
63 400	Isuzu Motors Ltd.	1 068	1 222	
31 000	NGK Spark Plug Co. Ltd.	906	846	
23 189	Nokian Renkaat OYJ	1 101	971	
10 472	Paddy Power Betfair Plc.	1 602	1 171	
15 719	Pandora A/S	1 906	873	
32 369	Persimmon Plc.	1 226	1 087	
242 800	Sands China Ltd.	1 465	1 453	
58 603	Schaeffler AG Preference	998	682	
47 100	Subaru Corp.	2 163	1 384	
40 200	USS Co. Ltd.	931	925	
40 100	Yamaha Motor Co. Ltd.	1 227	1 078	
		21 950	17 852	5.1
Consumer Staples				
205 057	Coca-Cola Amatil Ltd.	1 714	1 615	
90 495	Imperial Brands Plc.	4 241	3 742	
118 310	Jeronimo Martins SGPS S.A.	1 903	1 910	
88 207	Marine Harvest	1 885	2 542	
49 200	Pola Orbis Holdings Inc.	1 836	1 818	
95 390	Unilever N.V.	6 158	7 063	
		17 737	18 690	5.3
Energy				
44 316	Enagas	1 601	1 634	
540 827	Royal Dutch Shell Plc., B Shares	24 482	22 014	
245 754	Total S.A.	16 645	17 719	
		42 728	41 367	11.8

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials				
47 300	AEON Financial Service Co. Ltd.	\$ 1 225	\$ 1 151	
15 225	Allianz SE	3 631	4 163	
18 672	Amundi S.A.	1 971	1 346	
33 060	Aozora Bank Ltd.	1 520	1 348	
118 891	Assicurazioni Generali S.p.A.	2 372	2 710	
144 013	Australia & New Zealand Banking Group Ltd.	3 866	3 387	
105 266	AXA S.A.	3 477	3 099	
235 126	Bank Leumi Le-Israel	1 902	1 942	
142 224	Bank of Queensland Ltd.	1 692	1 326	
145 219	Bendigo and Adelaide Bank Ltd.	1 672	1 507	
54 068	BNP Paribas S.A.	5 086	3 332	
461 300	BOC Hong Kong Holdings Ltd.	2 354	2 342	
49 697	CNP Assurances	1 272	1 437	
62 526	Commonwealth Bank of Australia	5 095	4 352	
268 600	Concordia Financial Group Ltd.	1 648	1 411	
264 100	Daiwa Securities Group Inc.	2 039	1 830	
132 200	DBS Group Holdings Ltd.	2 954	3 138	
307 603	Direct Line Insurance Group Plc.	1 835	1 705	
65 569	Gjensidige Forsikring ASA	1 415	1 398	
10 473	Hannover Rueckversicherung SE	1 488	1 925	
183 171	Investec Plc.	1 648	1 405	
80 300	Japan Exchange Group Inc.	1 621	1 778	
101 600	Japan Post Bank Co. Ltd.	1 577	1 530	
26 823	KBC Groep N.V.	2 783	2 374	
582 819	Legal & General Group Plc.	2 571	2 342	
24 953	Macquarie Group Ltd.	2 199	2 607	
364 101	Mapfre S.A.	1 411	1 319	
318 100	Mebuki Financial Group Inc.	1 540	1 156	
143 090	Mediobanca S.p.A.	1 701	1 648	
175 400	Mitsubishi UFJ Lease & Finance Co. Ltd.	1 135	1 153	
30 110	Mizrahi Tefahot Bank Ltd.	731	695	
146 543	National Australia Bank Ltd.	4 377	3 392	
219 833	Natixis	1 829	1 414	
243 608	Nordea Bank Abp	3 735	2 799	
124 100	Orix Corp.	2 464	2 480	
42 531	Sampo OYJ	2 680	2 551	
47 300	SBI Holdings Inc.	1 248	1 271	
273 100	Seven Bank Ltd.	1 132	1 068	
222 000	Singapore Exchange Ltd.	1 577	1 591	
178 518	Skandinaviska Enskilda Banken	2 417	2 368	
58 821	Société Générale	2 963	2 555	
67 900	Sumitomo Mitsui Financial Group Inc.	3 719	3 081	
167 977	Suncorp-Metway Limited	2 261	2 040	
168 451	Svenska Handelsbanken AB	2 994	2 551	
87 071	Swedbank AB	2 682	2 653	
4 409	Swiss Life Holding	1 969	2 313	
41 371	Tryg A/S	1 088	1 419	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
196 425	UBS Group AG	\$ 3 531	\$ 3 330	
147 096	Westpac Banking Corporation	4 650	3 542	
8 353	Zurich Insurance Group AG	3 273	3 392	
		118 020	108 666	31.0
Health Care				
303 600	Astellas Pharma Inc.	5 444	5 297	
35 429	Coloplast A/S	3 734	4 485	
155 700	Mitsubishi Tanabe Pharma Corp.	3 601	3 064	
145 620	Novo Nordisk A/S	7 577	9 076	
68 983	Orion OYJ	3 207	3 261	
33 899	Roche Holdings AG Genusscheine	10 081	11 432	
		33 644	36 615	10.4
Industrials				
129 498	ABB Ltd.	3 603	3 354	
31 571	Adecco S.A.	2 510	2 009	
24 351	Andritz AG	1 665	1 525	
732 400	ComfortDelGro Corporation Ltd.	1 552	1 578	
60 600	Deutsche Lufthansa AG	2 254	1 864	
14 100	FANUC Corp.	3 849	2 926	
161 478	International Consolidated Airlines Group S.A.	1 803	1 745	
34 200	Japan Airlines Co. Ltd.	1 469	1 657	
11 210	Kuehne + Nagel International AG	2 143	1 962	
42 300	Kyushu Railway Co.	1 693	1 956	
43 300	Nabtesco Corp.	1 442	1 292	
28 584	Randstad N.V.	2 013	1 789	
778	SGS S.A.	2 146	2 382	
483 400	Singapore Tech Engineering Ltd.	1 563	1 691	
10 491	Société BIC S.A.	1 539	1 460	
241 791	Sydney Airport Holdings Ltd.	1 573	1 565	
		32 817	30 755	8.8
Information Technology				
61 900	Brother Industries Ltd.	1 638	1 257	
13 700	Tokyo Electron Ltd.	2 694	2 134	
22 400	Trend Micro Inc.	1 512	1 665	
		5 844	5 056	1.4
Materials				
976 262	Alumina Ltd.	2 545	2 159	
138 333	Anglo American Plc.	3 844	4 206	
217 892	BHP Group Ltd.	6 772	7 172	
37 994	Covestro AG	3 337	2 561	
42 500	Maruichi Steel Tube Ltd.	1 708	1 833	
40 300	Nitto Denko Corp.	2 874	2 781	
78 067	Rio Tinto Limited	5 199	5 890	
66 931	Smurfit Kappa Group Plc.	3 662	2 431	
117 500	Tosoh Corp.	3 189	2 095	
		33 130	31 128	8.9
Real Estate				
7 633	Azrieli Group	527	498	
4 600	Daito Trust Construction Co. Ltd.	865	860	
24 800	Daiwa House Industry Co. Ltd.	961	1 080	
79 475	Dexus Real Estate Investment Trust	748	812	
149 537	General Property Trust	726	768	
114 000	Henderson Land Development	727	776	
5 067	ICADE Real Estate Investment Trust	539	526	

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate (cont.)				
120	Japan Prime Realty Investment Corp. Real Estate Investment Trust	\$ 546	\$ 623	
108	Japan Real Estate Investment Corp. Real Estate Investment Trust	747	828	
270	Japan Retail Fund Investment Corp. Real Estate Investment Trust	631	738	
55 184	LendLease Group	697	617	
87 000	Link Real Estate Investment Trust	1 116	1 204	
340 250	Mirvac Group Real Estate Investment Trust	729	733	
100	Nippon Building Fund Inc. Real Estate Investment Trust	731	860	
222	Nippon Prologis Inc. Real Estate Investment Trust	609	641	
20 800	Nomura Real Estate Holdings Inc.	549	522	
326 000	Sino Land Co.	698	763	
211 210	Stockland Real Estate Investment Trust	902	715	
6 773	Swiss Prime Site AG	732	746	
319	United Urban Investment Corp. Real Estate Investment Trust	657	676	
		14 437	14 986	4.3
Underlying Funds				
1 094	iShares MSCI EAFE Fund	87	88	
		87	88	—
Utilities				
103 359	AGL Energy Ltd.	2 103	2 047	
735 510	Centrica Plc.	2 263	1 725	
152 000	CK Infrastructure Holdings Ltd.	1 699	1 571	
156 400	CLP Holdings Ltd.	1 932	2 414	
187 922	E.ON SE	2 612	2 530	
56 896	Endesa S.A.	1 602	1 787	
64 771	Fortum OYJ	1 983	1 931	
207 000	Power Assets Holdings Ltd.	2 390	1 967	
64 542	Red Electrica Corp. S.A.	1 798	1 965	
109 902	SSE Plc.	2 730	2 067	
238 552	Terna Rete Elettrica Nazionale S.p.A.	1 645	1 845	
		22 757	21 849	6.2
TOTAL INTERNATIONAL EQUITIES		370 206	351 132	100.1
Less: Transaction costs		(702)	—	—
TOTAL INVESTMENTS		\$ 369 504	351 132	100.1
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(232)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 350 900		100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 351 132	\$ 521 187
Cash	444	2 733
Due from investment dealers	3 295	–
Dividends receivable, interest accrued and other assets	614	1 071
TOTAL ASSETS	355 485	524 991
LIABILITIES		
Distributions payable	4 420	1 379
Accounts payable and accrued expenses	165	247
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	4 585	1 626
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 350 900	\$ 523 365
Investments at cost	\$ 369 504	\$ 499 413
NAV		
CAD UNITS	\$ 313 383	\$ 461 436
USD UNITS	\$ 37 517	\$ 61 929
NAV PER UNIT		
CAD UNITS	\$ 22.07	\$ 24.29
USD UNITS*	\$ 16.16	\$ 19.38

* Stated in U.S. dollars.

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 22 956	\$ 17 761
Income from investment trusts	1 533	–
Net realized gain (loss) on investments	1 603	16 102
Change in unrealized gain (loss) on investments	(40 146)	11 210
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(14 054)	45 073
Other income (loss)	(9)	–
Securities lending revenue		
(see note 8 in the generic notes)	302	299
Net gain (loss) on foreign cash balances	(176)	(65)
TOTAL OTHER INCOME (LOSS)	117	234
TOTAL INCOME (LOSS)	(13 937)	45 307
EXPENSES (see notes – ETF Specific Information)		
Management fees	2 293	2 034
Independent Review Committee costs	3	2
GST/HST	205	183
Transaction costs	1 111	1 068
Withholding tax	3 775	2 483
TOTAL EXPENSES	7 387	5 770
INCREASE (DECREASE) IN NAV	\$ (21 324)	\$ 39 537
INCREASE (DECREASE) IN NAV		
CAD UNITS	\$ (18 651)	\$ 33 919
USD UNITS	\$ (2 673)	\$ 5 618
INCREASE (DECREASE) IN NAV PER UNIT		
CAD UNITS	\$ (1.09)	\$ 2.26
USD UNITS*	\$ (0.85)	\$ 1.81

* Stated in U.S. dollars.



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (21 324)	\$ 39 537
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	(1)	12
Net realized loss (gain) on investments	(1 603)	(16 102)
Change in unrealized loss (gain) on investments	40 146	(11 210)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	457	(656)
Increase (decrease) in accrued payables	(82)	97
Cost of investments purchased*	(420 252)	(434 353)
Proceeds from sale and maturity of investments*	417 579	434 187
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	14 920	11 512
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	641	1 897
Cash paid on redemption of redeemable units*	(2 191)	(62)
Distributions paid to holders of redeemable units	(15 660)	(12 309)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (17 210)	\$ (10 474)
Net unrealized foreign exchange gain (loss) on cash	1	(12)
Net increase (decrease) in cash for the period	(2 290)	1 038
Cash (bank overdraft), beginning of period	2 733	1 707
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 444	\$ 2 733
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 1 533	\$ —
Dividends received, net of withholding taxes	\$ 19 638	\$ 14 625

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	CAD Units		USD Units		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 461 436	\$ 260 551	\$ 61 929	\$ 52 110	\$ 523 365	\$ 312 661
INCREASE (DECREASE) IN NAV	(18 651)	33 919	(2 673)	5 618	(21 324)	39 537
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	49 793	179 418	6 020	8 419	55 813	187 837
Reinvestments of distributions to holders of redeemable units	2 454	11 261	294	1 512	2 748	12 773
Redemption of redeemable units	(162 752)	(1 178)	(25 501)	(2 453)	(188 253)	(3 631)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(110 505)	189 501	(19 187)	7 478	(129 692)	196 979
Distributions from net income	(16 443)	(11 255)	(2 258)	(2 354)	(18 701)	(13 609)
Distributions from net gains	(2 454)	(11 261)	(294)	(923)	(2 748)	(12 184)
Distributions from capital	—	(19)	—	—	—	(19)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(18 897)	(22 535)	(2 552)	(3 277)	(21 449)	(25 812)
NET INCREASE (DECREASE) IN NAV	(148 053)	200 885	(24 412)	9 819	(172 465)	210 704
NAV AT END OF PERIOD	\$ 313 383	\$ 461 436	\$ 37 517	\$ 61 929	\$ 350 900	\$ 523 365

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure to the performance of a diversified portfolio of high-quality dividend-paying equity securities in markets in Europe, Australasia and the Far East (EAFE) that will provide regular income and that have the potential for long-term capital growth.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
International Equities		
Financials	31.0	33.0
Energy	11.8	11.3
Health Care	10.4	9.6
Materials	8.9	5.9
Industrials	8.8	8.4
Communication Services	6.9	6.2
Utilities	6.2	4.9
Consumer Staples	5.3	6.8
Consumer Discretionary	5.1	5.3
Real Estate	4.3	4.4
Information Technology	1.4	1.1
Underlying Funds	–	2.5
Other Net Assets	(0.1)	0.6
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Euro	27.6	27.8
Japanese yen	19.4	20.5
Australian dollar	13.6	11.7
Pound sterling	12.6	12.5
Swiss franc	9.3	6.5
Danish krone	4.5	3.6
Hong Kong dollar	3.6	4.3
Swedish krona	3.6	3.6
Singapore dollar	2.8	2.3
Norwegian krone	1.6	2.6
Israeli new shekel	1.1	0.9
New Zealand dollar	0.4	1.1
United States dollar	–	2.6
Total	100.1	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 36-month historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI EAFE Total Return Net Index (CAD)	+ or - 0.8	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	351 044	–	–	351 044
Underlying funds	88	–	–	88
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	351 132	–	–	351 132
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	508 103	–	–	508 103
Underlying funds	13 084	–	–	13 084
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	521 187	–	–	521 187
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
CAD Units	0.49%
USD Units	0.49%

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the ETF's interest in the unsponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
iShares MSCI EAFE Fund	–	–	2.5	–

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CAD Units		
Opening units	19 000	11 500
Issued number of units	2 050	7 550
Reinvested number of units	111	464
Units consolidated*	(111)	(464)
Redeemed number of units	(6 850)	(50)
Ending number of units	14 200	19 000
USD Units		
Opening units	2 550	2 300
Issued number of units	250	350
Reinvested number of units	13	62
Units consolidated*	(13)	(62)
Redeemed number of units	(1 100)	(100)
Ending number of units	1 700	2 550

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	1 111	100	1 068	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements [†]	–	–	–	–

* See note 9 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	59 603	81 117
Fair value of collateral received	60 795	82 739

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	404	100	408	100
RBC IS (paid)	(100)	(25)	(109)	(27)
Tax withheld	(2)	–	–	–
ETF revenue	302	75	299	73

Investments by other related investment funds (%) (see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Quant EAFE Dividend Leaders (CAD Hedged) ETF	22.5	23.3
RBC Strategic Global Dividend Leaders ETF	0.6	0.3
Total	23.1	23.6

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC QUANT EAFE DIVIDEND LEADERS (CAD HEDGED) ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
3 569 626	RBC Quant EAFE Dividend Leaders ETF*	\$ 85 274	\$ 78 779	
TOTAL UNDERLYING FUNDS		85 274	78 779	103.0
Less: Transaction costs		(6)	—	—
TOTAL INVESTMENTS		<u>\$ 85 268</u>	78 779	103.0
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
			127	0.2
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
			(2 574)	(3.4)
TOTAL PORTFOLIO			76 332	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			147	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		<u>\$</u>	<u>76 479</u>	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought JPY 54 305 Sold CAD 650 @ 0.0120	15-Jan-2019	\$ 26
Bought CAD 11 251 Sold AUD 11 684 @ 0.9629	15-Jan-2019	17
Bought JPY 50 886 Sold CAD 622 @ 0.0122	15-Jan-2019	12
Bought JPY 17 995 Sold CAD 215 @ 0.0120	15-Jan-2019	9
Bought EUR 562 Sold CAD 871 @ 1.5492	15-Jan-2019	8
Bought JPY 50 379 Sold CAD 620 @ 0.0123	15-Jan-2019	7
Bought CHF 400 Sold CAD 549 @ 1.3709	15-Jan-2019	7
Bought EUR 193 Sold CAD 296 @ 1.5310	15-Jan-2019	6
Bought SEK 2 379 Sold CAD 361 @ 0.1520	15-Jan-2019	5
Bought GBP 226 Sold CAD 389 @ 1.7186	15-Jan-2019	5
Bought GBP 77 Sold CAD 131 @ 1.6998	15-Jan-2019	3
Bought SEK 846 Sold CAD 128 @ 0.1509	15-Jan-2019	3
Bought SEK 680 Sold CAD 102 @ 0.1506	15-Jan-2019	2
Bought CHF 73 Sold CAD 99 @ 1.3576	15-Jan-2019	2
Bought SEK 293 Sold CAD 43 @ 0.1487	15-Jan-2019	2
Bought AUD 785 Sold CAD 754 @ 0.9596	15-Jan-2019	2
Bought DKK 690 Sold CAD 143 @ 0.2075	15-Jan-2019	1
Bought EUR 600 Sold CAD 936 @ 1.5606	15-Jan-2019	1
Bought SGD 88 Sold CAD 87 @ 0.9877	15-Jan-2019	1
Bought DKK 238 Sold CAD 49 @ 0.2050	15-Jan-2019	1
Bought HKD 643 Sold CAD 111 @ 0.1731	15-Jan-2019	1
Bought ILS 204 Sold CAD 74 @ 0.3616	15-Jan-2019	1
Bought NOK 335 Sold CAD 52 @ 0.1553	15-Jan-2019	1
Bought SGD 30 Sold CAD 30 @ 0.9801	15-Jan-2019	1
Bought ILS 116 Sold CAD 42 @ 0.3604	15-Jan-2019	1
Bought NOK 394 Sold CAD 62 @ 0.1562	15-Jan-2019	1
Bought HKD 221 Sold CAD 38 @ 0.1719	15-Jan-2019	1
		<u>\$ 127</u>

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 46 Sold NOK 294 @ 0.1555	15-Jan-2019	\$ (1)
Bought CAD 38 Sold HKD 221 @ 0.1711	15-Jan-2019	(1)
Bought CAD 29 Sold SGD 30 @ 0.9706	15-Jan-2019	(1)
Bought CAD 49 Sold DKK 239 @ 0.2027	15-Jan-2019	(2)
Bought CAD 44 Sold SEK 297 @ 0.1477	15-Jan-2019	(2)
Bought CAD 101 Sold CHF 75 @ 1.3447	15-Jan-2019	(3)
Bought CAD 132 Sold GBP 78 @ 1.6806	15-Jan-2019	(5)
Bought CAD 297 Sold EUR 196 @ 1.5135	15-Jan-2019	(10)
Bought CAD 215 Sold JPY 18 196 @ 0.0118	15-Jan-2019	(12)
Bought CAD 1 324 Sold NOK 8 499 @ 0.1558	15-Jan-2019	(17)
Bought CAD 1 085 Sold ILS 3 047 @ 0.3560	15-Jan-2019	(30)
Bought CAD 2 879 Sold HKD 16 885 @ 0.1705	15-Jan-2019	(67)
Bought CAD 2 249 Sold SGD 2 315 @ 0.9714	15-Jan-2019	(71)
Bought CAD 3 684 Sold DKK 18 101 @ 0.2035	15-Jan-2019	(107)
Bought CAD 3 272 Sold SEK 22 262 @ 0.1470	15-Jan-2019	(161)
Bought CAD 7 591 Sold CHF 5 634 @ 1.3474	15-Jan-2019	(222)
Bought CAD 9 911 Sold GBP 5 866 @ 1.6896	15-Jan-2019	(296)
Bought CAD 22 510 Sold EUR 14 822 @ 1.5187	15-Jan-2019	(653)
Bought CAD 16 524 Sold JPY 1 399 563 @ 0.0118	15-Jan-2019	(913)
		<u>\$ (2 574)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (2 447)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 9 in the generic notes).

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 78 779	\$ 122 114
Cash	243	239
Unrealized gain on foreign exchange contracts	–	1 314
Dividends receivable, interest accrued and other assets	992	321
TOTAL ASSETS	80 014	123 988
LIABILITIES		
Unrealized loss on foreign exchange contracts	2 447	–
Distributions payable	1 088	355
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	3 535	355
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 76 479	\$ 123 633
Investments at cost	\$ 85 268	\$ 118 984
NAV PER UNIT	\$ 20.95	\$ 24.01

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Income from investment trusts	\$ 4 590	\$ 6 183
Derivative income	(3 953)	16
Net realized gain (loss) on investments	485	1 011
Change in unrealized gain (loss) on investments	(9 619)	2 326
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(8 497)	9 536
Other income (loss)	2	–
Securities lending revenue (see note 8 in the generic notes)	1	9
TOTAL OTHER INCOME (LOSS)	3	9
TOTAL INCOME (LOSS)	(8 494)	9 545
EXPENSES (see notes – ETF Specific Information)		
Transaction costs	7	7
TOTAL EXPENSES	7	7
INCREASE (DECREASE) IN NAV	\$ (8 501)	\$ 9 538
INCREASE (DECREASE) IN NAV PER UNIT	\$ (1.91)	\$ 2.19



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (8 501)	\$ 9 538
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	(485)	(1 011)
Change in unrealized loss (gain) on investments and foreign exchange contracts	13 380	(4 278)
Non-cash distributions from underlying funds	(457)	(2 980)
(Increase) decrease in accrued receivables	(671)	(175)
Increase (decrease) in accrued payables	—	—
Cost of investments purchased*	(24 036)	(8 104)
Proceeds from sale and maturity of investments*	58 694	9 808
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	37 924	2 798
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	15 251	300
Cash paid on redemption of redeemable units*	(49 949)	(36)
Distributions paid to holders of redeemable units	(3 222)	(3 008)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (37 920)	\$ (2 744)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	4	54
Cash (bank overdraft), beginning of period	239	185
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 243	\$ 239
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 3 919	\$ 3 028
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 123 633	\$ 70 774
INCREASE (DECREASE) IN NAV	(8 501)	9 538
Early redemption fees	—	—
Proceeds from redeemable units issued	15 251	54 780
Reinvestments of distributions to holders of redeemable units	1 644	3 259
Redemption of redeemable units	(49 949)	(8 366)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(33 054)	49 673
Distributions from net income	(3 955)	(3 145)
Distributions from net gains	(1 644)	(3 207)
Distributions from capital	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(5 599)	(6 352)
NET INCREASE (DECREASE) IN NAV	(47 154)	52 859
NAV AT END OF PERIOD	\$ 76 479	\$ 123 633

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure, either directly or indirectly through investment in other ETFs managed by RBC GAM, to the performance of a diversified portfolio of high-quality dividend-paying equity securities in markets in Europe, Australasia and the Far East (EAFE) that will provide regular income and that have the potential for long-term capital growth, while seeking to minimize the exposure to currency fluctuations between foreign currencies and the Canadian dollar.

Financial instrument risk and capital management (see note 5 in the generic notes)

The ETF invests in the RBC Quant EAFE Dividend Leaders ETF. The ETF's exposure to financial instrument risk is based on the underlying ETF asset mix. The following tables present the ETF's direct risks and pro rata exposure to the risks of the underlying ETF.

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
International Equities		
Financials	31.0	33.0
Energy	11.8	11.3
Health Care	10.4	9.6
Materials	8.9	5.9
Industrials	8.8	8.4
Communication Services	6.9	6.2
Utilities	6.2	4.9
Consumer Staples	5.3	6.8
Consumer Discretionary	5.1	5.3
Real Estate	4.3	4.4
Information Technology	1.4	1.1
Underlying Funds	–	2.5
Other Net Assets	(0.1)	0.6
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the ETF has been hedged using foreign exchange contracts, the ETF has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 36-month historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI EAFE Total Return Net Index (hedged to CAD)	+ or - 0.8	+ or - 0.8

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	78 779	–	–	78 779
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	(2 447)	–	(2 447)
Total financial instruments	78 779	(2 447)	–	76 332
% of total portfolio	103.2	(3.2)	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	122 114	–	–	122 114
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	1 314	–	1 314
Derivatives – liabilities	–	–	–	–
Total financial instruments	122 114	1 314	–	123 428
% of total portfolio	98.9	1.1	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

A management fee is not charged directly to the ETF as this ETF invests in the units of other RBC ETFs.



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the ETF's interest in the sponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Quant EAFE Dividend Leaders ETF	103.0	22.5	98.7	23.3

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)
(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	5 150	3 150
Issued number of units	650	2 350
Reinvested number of units	78	136
Units consolidated*	(78)	(136)
Redeemed number of units	(2 150)	(350)
Ending number of units	3 650	5 150

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	7	100	7	100
Related-party brokerage commissions*	7	100	7	100
Commission arrangements†	—	—	—	—

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	77	166
Fair value of collateral received	79	169

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	2	100	12	100
RBC IS (paid)	(1)	(25)	(3)	(27)
Tax withheld	—	—	—	—
ETF revenue	1	75	9	73

Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)

The following is a summary of the amounts for which the ETF has a legal right to offset in the event of default, insolvency or bankruptcy. "Net amount" represents the impact to the ETF if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	127	(2 574)
Amounts set-off in the Statements of Financial Position	(127)	127
Net amounts presented in the Statements of Financial Position	—	(2 447)
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	—	(2 447)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	1 373	(59)
Amounts set-off in the Statements of Financial Position	(59)	59
Net amounts presented in the Statements of Financial Position	1 314	—
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	1 314	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC QUANT EAFE EQUITY LEADERS ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
INTERNATIONAL EQUITIES				
Communication Services				
900	CyberAgent Inc.	\$ 49	\$ 48	
11 907	Deutsche Telekom AG	262	276	
2 700	KDDI Corporation	91	88	
3 600	Nexon Co. Ltd.	62	63	
200	Nintendo Co. Ltd.	82	73	
2 700	Nippon Telegraph & Telephone Corp.	146	151	
7 100	NTT DoCoMo Inc.	231	219	
4 302	Orange S.A.	94	95	
4 566	Pearson Plc.	73	75	
7 185	ProSiebenSat.1 Media SE	217	174	
803	Publicis Groupe	66	63	
792	RTL Group S.A.	69	58	
10 270	Telefonica S.A.	130	118	
5 563	Telenor ASA	144	147	
409	UBISOFT Entertainment	54	45	
54 997	Vodafone Group Plc.	200	146	
		1 970	1 839	7.5
Consumer Discretionary				
620	Adidas AG	178	177	
855	Berkeley Group Holdings Plc.	62	52	
2 356	Burberry Group Plc.	67	71	
2 228	Faurecia	185	115	
10 968	Fiat Chrysler Automobiles N.V.	247	217	
298	Flight Centre Travel Group Ltd.	13	12	
5 000	Galaxy Entertainment Group Ltd.	56	43	
27 300	Genting Singapore Ltd.	31	27	
164	Hermes International	121	124	
1 200	Honda Motor Co. Ltd.	51	43	
366	Kering S.A.	196	235	
86 000	Li & Fung Ltd.	27	18	
12 844	Marks & Spencer Group Plc.	68	55	
312	Moncler S.p.A.	14	14	
783	Next Plc.	61	54	
4 700	Nikon Corp.	109	96	
1 619	Persimmon Plc.	63	54	
9 425	Peugeot S.A.	319	274	
808	Renault S.A.	99	69	
7 200	Sands China Ltd.	44	43	
4 100	Sony Corp.	241	272	
500	Suzuki Motor Co. Ltd.	33	35	
19 851	Taylor Wimpey Plc.	66	47	
2 500	Toyota Motor Corp.	216	199	
2 421	TUI AG	55	47	
3 757	Wesfarmers Ltd.	154	116	
60 800	Wynn Macau Ltd.	198	181	
		2 974	2 690	10.9

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Staples				
9 300	a2 Milk Co. Ltd.	\$ 88	\$ 95	
130	Anheuser-Busch InBev S.A./N.V.	16	12	
1 100	Asahi Group Holdings Ltd.	73	58	
1 292	Coca-Cola HBC AG	48	55	
4 692	Diageo Plc.	189	228	
728	Heineken N.V.	94	88	
2 900	Imperial Brands Plc.	138	120	
400	Japan Tobacco Inc.	15	13	
1 200	KAO Corp.	101	122	
564	Kerry Group Plc.	69	76	
3 000	Kirin Brewery Co. Ltd.	81	86	
300	Kobayashi Pharmaceutical Co. Ltd.	25	28	
3 707	Koninklijke Ahold Delhaize N.V.	103	128	
579	L'Oréal S.A.	161	182	
2 986	Nestlé S.A.	307	330	
200	Nissin Foods Holdings Co. Ltd.	17	17	
416	Pernod-Ricard S.A.	72	93	
1 200	Pola Orbis Holdings Inc.	52	44	
1 200	Shiseido Co. Ltd.	97	103	
1 014	Swedish Match AB	49	55	
2 600	Uni-Charm Corporation	89	115	
2 712	Woolworths Group Ltd.	70	77	
		1 954	2 125	8.6
Energy				
34 428	BP Plc.	322	297	
1 308	Enagas	49	48	
5 906	ENI S.p.A.	138	127	
6 469	Equinor ASA	187	187	
5 900	JXTG Holdings Inc.	49	42	
3 467	Lundin Petroleum AB	137	118	
705	OMV AG	40	42	
8 367	Royal Dutch Shell Plc., B Shares	381	341	
3 155	Tenaris S.A.	62	47	
		1 365	1 249	5.1
Financials				
4 847	3i Group Plc.	65	65	
5 429	Aegon N.V.	44	35	
2 139	Ageas	132	131	
1 230	Allianz SE	330	336	
4 832	Australia & New Zealand Banking Group Ltd.	140	114	
13 236	Aviva Plc.	119	86	
3 999	AXA S.A.	138	118	
3 790	Bank Leumi Le-Israel	24	31	
34 752	Barclays Plc.	102	91	
18 950	BBVA S.A.	190	137	
4 212	BNP Paribas S.A.	327	260	
3 973	Credit Agricole S.A.	89	58	
3 754	Credit Suisse Group	66	56	
322	Deutsche Boerse AG	44	53	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
10 489	Direct Line Insurance Group Plc.	\$ 65	\$ 58	
162	DnB ASA	4	4	
5 236	Investec Plc.	51	40	
3 700	Japan Post Holdings Co. Ltd.	57	58	
22 449	Legal & General Group Plc.	109	90	
159 257	Lloyds TSB Group Plc.	183	144	
1 169	Macquarie Group Ltd.	104	122	
55 100	Mitsubishi UFJ Financial Group Inc.	448	369	
45 500	Mizuho Financial Group Inc.	108	96	
1 217	Muenchener Rueckversicherungs-Gesellschaft AG	349	362	
16 970	Natixis	151	109	
1 734	NN Group N.V.	101	94	
3 800	Orix Corp.	77	76	
5 646	Prudential Corporation Plc.	167	138	
978	Raiffeisen International Bank Holding AG	44	34	
2 800	Shinsei Bank Ltd.	55	46	
4 651	Société Générale	268	202	
3 900	Sumitomo Mitsui Financial Group Inc.	199	177	
2 900	The Chiba Bank Ltd.	26	22	
100	The Dai-ichi Life Insurance Co. Ltd.	2	2	
800	Tokio Marine Holdings, Inc.	45	52	
7 354	UBS Group AG	149	125	
5 097	UniCredit S.p.A.	93	79	
1 200	United Overseas Bank Ltd.	28	30	
280	Zurich Insurance Group AG	112	114	
		4 805	4 214	17.2
Health Care				
1 100	Alfresa Holdings Corp.	34	38	
14 100	Astellas Pharma Inc.	287	246	
1 320	Cochlear Limited	256	220	
125	Coloplast A/S	16	16	
342	CSL Ltd.	62	61	
1 400	Eisai Co. Ltd.	163	148	
1 884	H. Lundbeck A/S	124	112	
300	Hoya Corp.	18	25	
2 568	Koninklijke Philips N.V.	117	124	
700	Mediceo Paltac Holdings Co. Ltd.	18	21	
2 509	Novartis AG	269	292	
7 666	Novo Nordisk A/S	483	478	
2 575	Roche Holdings AG Genusscheine	826	868	
3 200	Sumitomo Dainippon Pharma Co. Ltd.	86	139	
2 400	Suzuken Co. Ltd.	137	167	
100	Terumo Corp.	7	8	
1 521	Teva Pharmaceutical Industries Ltd. ADR	47	32	
371	UCB S.A.	39	41	
		2 989	3 036	12.4
Industrials				
2 289	Ashtead Group Plc.	89	65	
6 776	Atlas Copco AB	259	220	
7 899	Aurizon Holdings Ltd.	39	33	
395	CIMIC Group Ltd.	19	16	
110	Dassault Aviation S.A.	244	208	

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
4 379	Deutsche Lufthansa AG	\$ 150	\$ 135	
7 285	easyJet Plc.	186	140	
364	Eiffage S.A.	50	41	
6 106	Epiroc AB	68	79	
3 558	Experian Group Ltd.	95	118	
465	Ferguson Plc.	45	41	
23 243	International Consolidated Airlines Group S.A.	267	251	
866	Intertek Group Plc.	68	72	
4 200	Itochu Corp.	83	98	
600	Japan Airlines Co. Ltd.	28	29	
2 600	Kajima Corp.	52	48	
10 000	Keppel Corp. Ltd.	67	59	
10 200	Marubeni Corp.	96	98	
3 977	Meggitt Plc.	34	33	
4 300	Mitsubishi Corp.	130	162	
1 400	Mitsubishi Heavy Industries Ltd.	69	69	
6 100	Mitsui & Co.	121	128	
43	MTU Aero Engines AG	9	11	
3 100	Obayashi Corp.	43	38	
74	Randstad N.V.	6	5	
1 900	Recruit Holdings Co. Ltd.	74	63	
6 867	Rolls-Royce Holdings Plc.	99	99	
301 346	Rolls-Royce Holdings Plc., C Shares	1	1	
21 418	Royal Mail Plc.	171	101	
17	Safran S.A.	2	3	
250	Schindler Holding AG	67	67	
900	SG Holdings Co. Ltd.	28	32	
22	SGS S.A.	70	67	
1 296	Siemens AG	220	197	
1 300	Singapore Tech Engineering Ltd.	4	5	
1 549	SKF AB	40	32	
754	Smiths Group Plc.	22	18	
2 900	Sumitomo Corp.	52	56	
2 800	Taisei Corp.	164	164	
600	Toyota Tsusho Corp.	29	24	
204	Vinci S.A.	24	23	
247	Wolters Kluwer N.V.	20	20	
		3 404	3 169	12.9
Information Technology				
1 732	Amadeus IT Group S.A.	161	165	
1 500	Brother Industries Ltd.	44	30	
3 500	Canon Inc.	155	131	
132	Check Point Software Technologies Ltd.	17	19	
3 528	Computershare Ltd.	54	58	
473	Dassault Systèmes S.A.	63	77	
14 130	Ericsson (LM) Tel., Series B	129	170	
900	Hitachi High-Technologies Corp.	45	39	
3 800	Hitachi Ltd.	159	139	
641	NXP Semiconductor N.V.	70	64	
1 100	Oracle Corp. Japan	107	96	
2 200	Ricoh Co. Ltd.	26	29	
220	SAP SE	27	30	
700	Sumco Corp.	24	11	
117	Temenos AG	26	19	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology (cont.)				
600	Tokyo Electron Ltd.	\$ 126	\$ 93	
700	Trend Micro Inc.	43	52	
1 600	Venture Manufacturing (Singapore) Ltd.	26	22	
311	Wirecard AG	78	64	
		1 380	1 308	5.3
Materials				
859	Air Liquide S.A.	142	145	
4 127	Anglo American Plc.	85	125	
63	Antofagasta Plc.	1	1	
1 137	BASF AG	132	107	
8 832	BHP Group Ltd.	246	291	
2 608	BlueScope Steel Ltd.	33	27	
3 564	Covestro AG	373	240	
2 268	CRH Plc.	106	82	
955	Evonik Industries AG	45	33	
12 224	Glencore Plc.	62	62	
208	HeidelbergCement AG	29	17	
1 149	Johnson Matthey Plc.	69	56	
330	Koninklijke DSM N.V.	31	37	
5 700	Mitsubishi Chemical Holdings Corp.	74	59	
1 500	Mitsubishi Gas Chemical Co. Inc.	31	31	
1 630	Newcrest Mining Ltd.	33	34	
2 735	Rio Tinto Limited	174	206	
300	Shin-Etsu Chemical Co. Ltd.	42	32	
2 609	Stora Enso OYJ, R Shares	47	41	
19 900	Sumitomo Chemical Co. Ltd.	145	132	
3 700	Tosoh Corp.	70	66	
1 806	UPM-Kymmene OYJ	58	62	
		2 028	1 886	7.7
Real Estate				
5 698	British Land Company Plc. Real Estate Investment Trust	64	53	
13 000	CK Asset Holdings Ltd.	127	130	
572	General Property Trust	3	3	
26 800	Henderson Land Development	183	182	
5 200	Hongkong Land Holdings Ltd.	50	45	
6 500	Kerry Properties Ltd.	38	30	
1 044	Klepierre Real Estate Investment Trust	54	44	
3 083	LendLease Group	38	34	
5 000	Link Real Estate Investment Trust	49	69	
25 565	Mirvac Group Real Estate Investment Trust	54	55	
23 318	Scentre Group Real Estate Investment Trust	94	87	
16 448	Stockland Real Estate Investment Trust	69	56	
5 500	Sun Hung Kai Properties Ltd.	103	107	
1 000	The Wharf Holdings Ltd.	3	4	
24 546	Vicinity Centres Real Estate Investment Trust	65	61	
4 000	Wheelock & Co. Ltd.	34	31	
		1 028	991	4.0

Holdings	Security	Cost	Fair Value	% of Net Assets
Underlying Funds				
12 646	iShares MSCI EAFE Fund	\$ 1 037	\$ 1 015	
		1 037	1 015	4.1
Utilities				
10 769	AGL Energy Ltd.	217	213	
29 701	Centrica Plc.	91	70	
3 400	Chubu Electric Power Co. Inc.	68	66	
7 500	CLP Holdings Ltd.	98	116	
700	Electric Power Development Co. Ltd.	25	23	
2 055	Electricite de France S.A.	41	44	
4 351	Enel S.p.A.	31	34	
8 664	Engie	173	170	
1 389	Gas Natural SDG S.A.	39	49	
3 400	Kansai Electric Power Co. Inc.	55	71	
4 112	SSE Plc.	87	78	
9 200	Tokyo Electric Power Co. Holdings Inc.	65	76	
		990	1 010	4.1
TOTAL INTERNATIONAL EQUITIES		25 924	24 532	99.8
Less: Transaction costs		(47)	—	—
TOTAL INVESTMENTS		\$ 25 877	24 532	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		\$ 24 571	100.0	100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 24 532	\$ 30 536
Cash	70	145
Due from investment dealers	329	13
Dividends receivable, interest accrued and other assets	23	34
TOTAL ASSETS	24 954	30 728
LIABILITIES		
Distributions payable	371	143
Accounts payable and accrued expenses	12	15
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	383	158
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 24 571	\$ 30 570
Investments at cost	\$ 25 877	\$ 28 248
NAV		
CAD UNITS	\$ 22 524	\$ 27 174
USD UNITS	\$ 2 047	\$ 3 396
NAV PER UNIT		
CAD UNITS	\$ 20.48	\$ 22.64
USD UNITS*	\$ 14.99	\$ 18.07

* Stated in U.S. dollars.

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 1 061	\$ 674
Income from investment trusts	66	—
Net realized gain (loss) on investments	1 505	1 111
Change in unrealized gain (loss) on investments	(3 633)	1 616
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(1 001)	3 401
Other income (loss)	(2)	—
Securities lending revenue		
(see note 8 in the generic notes)	10	7
Net gain (loss) on foreign cash balances	(2)	(16)
TOTAL OTHER INCOME (LOSS)	6	(9)
TOTAL INCOME (LOSS)	(995)	3 392
EXPENSES (see notes – ETF Specific Information)		
Management fees	140	110
GST/HST	12	10
Transaction costs	85	66
Withholding tax	155	95
TOTAL EXPENSES	392	281
INCREASE (DECREASE) IN NAV	\$ (1 387)	\$ 3 111
INCREASE (DECREASE) IN NAV		
CAD UNITS	\$ (1 250)	\$ 2 854
USD UNITS	\$ (137)	\$ 257
INCREASE (DECREASE) IN NAV PER UNIT		
CAD UNITS	\$ (1.08)	\$ 3.04
USD UNITS*	\$ (0.93)	\$ 2.09

* Stated in U.S. dollars.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 387)	\$ 3 111
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	(1 505)	(1 111)
Change in unrealized loss (gain) on investments	3 633	(1 616)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	11	(17)
Increase (decrease) in accrued payables	(3)	7
Cost of investments purchased*	(43 396)	(28 386)
Proceeds from sale and maturity of investments*	43 161	28 368
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	514	356
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	210	152
Cash paid on redemption of redeemable units*	(214)	(13)
Distributions paid to holders of redeemable units	(585)	(421)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (589)	\$ (282)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	(75)	74
Cash (bank overdraft), beginning of period	145	71
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 70	\$ 145
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 66	\$ —
Dividends received, net of withholding taxes	\$ 917	\$ 562

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	CAD Units		USD Units		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 27 174	\$ 13 802	\$ 3 396	\$ 986	\$ 30 570	\$ 14 788
INCREASE (DECREASE) IN NAV	(1 250)	2 854	(137)	257	(1 387)	3 111
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	15 998	12 065	—	2 202	15 998	14 267
Reinvestments of distributions to holders of redeemable units	935	518	85	65	1 020	583
Redemption of redeemable units	(18 656)	(1 140)	(1 141)	(2)	(19 797)	(1 142)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(1 723)	11 443	(1 056)	2 265	(2 779)	13 708
Distributions from net income	(742)	(407)	(71)	(47)	(813)	(454)
Distributions from net gains	(935)	(518)	(85)	(65)	(1 020)	(583)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 677)	(925)	(156)	(112)	(1 833)	(1 037)
NET INCREASE (DECREASE) IN NAV	(4 650)	13 372	(1 349)	2 410	(5 999)	15 782
NAV AT END OF PERIOD	\$ 22 524	\$ 27 174	\$ 2 047	\$ 3 396	\$ 24 571	\$ 30 570

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with broad exposure to the performance of a diversified portfolio of high-quality equity securities in markets in Europe, Australasia and the Far East (EAFE) that have the potential for long-term capital growth.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
International Equities		
Financials	17.2	19.6
Industrials	12.9	15.3
Health Care	12.4	8.2
Consumer Discretionary	10.9	12.9
Consumer Staples	8.6	9.1
Materials	7.7	10.0
Communication Services	7.5	4.5
Information Technology	5.3	6.5
Energy	5.1	5.0
Utilities	4.1	3.8
Real Estate	4.0	5.0
Underlying Funds	4.1	—
Other Net Assets	0.2	0.1
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Euro	30.1	31.3
Japanese yen	23.6	24.4
Pound sterling	14.2	16.2
Swiss franc	7.9	7.5
Australian dollar	7.7	8.6
United States dollar	4.8	0.9
Hong Kong dollar	3.9	2.3
Swedish krona	2.7	4.5
Danish krone	2.5	1.8
Norwegian krone	1.4	1.2
Singapore dollar	0.6	0.9
New Zealand dollar	0.4	—
Israeli new shekel	0.1	0.4
Total	99.9	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 36-month (December 31, 2017 – 31-month) historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI EAFE Total Return Net Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	23 517	—	—	23 517
Underlying funds	1 015	—	—	1 015
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	24 532	—	—	24 532
% of total portfolio	100.0	—	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	30 536	—	—	30 536
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	30 536	—	—	30 536
% of total portfolio	100.0	—	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
CAD Units	0.49%
USD Units	0.49%

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the ETF's interest in the un-sponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the un-sponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
iShares MSCI EAFE Fund	4.1	—	—	—

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

**Redeemable units (000s)
(see note 6 in the generic notes)**

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CAD Units		
Opening units	1 200	700
Issued number of units	700	550
Reinvested number of units	46	23
Units consolidated*	(46)	(23)
Redeemed number of units	(800)	(50)
Ending number of units	1 100	1 200
USD Units		
Opening units	150	50
Issued number of units	—	100
Reinvested number of units	4	3
Units consolidated*	(4)	(3)
Redeemed number of units	(50)	—
Ending number of units	100	150

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	85	100	66	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements [†]	—	—	—	—

* See note 9 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	3 046	2 422
Fair value of collateral received	3 107	2 471

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	13	100	10	100
RBC IS (paid)	(3)	(25)	(3)	(26)
Tax withheld	—	—	—	—
ETF revenue	10	75	7	74

**Investments by other related investment funds (%)
(see note 9 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Quant EAFE Equity Leaders (CAD Hedged) ETF	30.7	61.8
RBC Strategic Global Equity Leaders ETF	3.4	1.9
Total	34.1	63.7



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC QUANT EAFE EQUITY LEADERS (CAD HEDGED) ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
368 822	RBC Quant EAFE Equity Leaders ETF*	\$ 8 174	\$ 7 552	
TOTAL UNDERLYING FUNDS		8 174	7 552	102.6
Less: Transaction costs		—	—	—
TOTAL INVESTMENTS		<u>\$ 8 174</u>	7 552	102.6
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)			5	0.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)			(254)	(3.5)
TOTAL PORTFOLIO			7 303	99.2
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			58	0.8
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 7 361</u>		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought JPY 5 373 Sold CAD 65 @ 0.0121	15-Jan-2019	\$ 2
Bought CAD 620 Sold AUD 644 @ 0.9629	15-Jan-2019	1
Bought JPY 5 954 Sold CAD 73 @ 0.0123	15-Jan-2019	1
Bought EUR 50 Sold CAD 77 @ 1.5533	15-Jan-2019	1
		<u>\$ 5</u>

Contracts	Maturity Date	Unrealized Loss
Bought CAD 114 Sold NOK 730 @ 0.1558	15-Jan-2019	\$ (1)
Bought CAD 194 Sold DKK 955 @ 0.2035	15-Jan-2019	(6)
Bought CAD 306 Sold HKD 1 794 @ 0.1705	15-Jan-2019	(7)
Bought CAD 218 Sold SEK 1 482 @ 0.1470	15-Jan-2019	(11)
Bought CAD 649 Sold CHF 481 @ 1.3474	15-Jan-2019	(19)
Bought CAD 1 113 Sold GBP 658 @ 1.6896	15-Jan-2019	(33)
Bought CAD 2 402 Sold EUR 1 582 @ 1.5187	15-Jan-2019	(70)
Bought CAD 1 932 Sold JPY 163 652 @ 0.0118	15-Jan-2019	(107)
		<u>\$ (254)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (249)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 9 in the generic notes).

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 7 552	\$ 18 887
Cash	22	39
Unrealized gain on foreign exchange contracts	–	209
Dividends receivable, interest accrued and other assets	114	89
TOTAL ASSETS	7 688	19 224
LIABILITIES		
Unrealized loss on foreign exchange contracts	249	–
Distributions payable	78	112
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	327	112
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 7 361	\$ 19 112
Investments at cost	\$ 8 253	\$ 17 272
NAV PER UNIT	\$ 18.40	\$ 21.24

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Income from investment trusts	\$ 617	\$ 645
Derivative income	(517)	(73)
Net realized gain (loss) on investments	1 604	142
Change in unrealized gain (loss) on investments	(2 316)	1 341
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(612)	2 055
Securities lending revenue (see note 8 in the generic notes)	–	1
TOTAL OTHER INCOME (LOSS)	–	1
TOTAL INCOME (LOSS)	(612)	2 056
EXPENSES (see notes – ETF Specific Information)		
Transaction costs	1	1
TOTAL EXPENSES	1	1
INCREASE (DECREASE) IN NAV	\$ (613)	\$ 2 055
INCREASE (DECREASE) IN NAV PER UNIT	\$ (1.00)	\$ 2.93



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (613)	\$ 2 055
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	(1 604)	(142)
Change in unrealized loss (gain) on investments and foreign exchange contracts	2 773	(1 636)
Non-cash distributions from underlying funds	(314)	(360)
(Increase) decrease in accrued receivables	(25)	(12)
Increase (decrease) in accrued payables	—	—
Cost of investments purchased*	(1 357)	(1 048)
Proceeds from sale and maturity of investments*	1 591	1 466
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	451	323
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	36	22
Cash paid on redemption of redeemable units*	(167)	(9)
Distributions paid to holders of redeemable units	(337)	(330)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (468)	\$ (317)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	(17)	6
Cash (bank overdraft), beginning of period	39	33
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 22	\$ 39
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 522	\$ 633
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 19 112	\$ 10 316
INCREASE (DECREASE) IN NAV	(613)	2 055
Early redemption fees	—	—
Proceeds from redeemable units issued	7 278	7 106
Reinvestments of distributions to holders of redeemable units	1 876	385
Redemption of redeemable units	(18 113)	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(8 959)	7 491
Distributions from net income	(303)	(298)
Distributions from net gains	(1 876)	(452)
Distributions from capital	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 179)	(750)
NET INCREASE (DECREASE) IN NAV	(11 751)	8 796
NAV AT END OF PERIOD	\$ 7 361	\$ 19 112

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with broad exposure, either directly or indirectly through investment in other ETFs managed by RBC GAM, to the performance of a diversified portfolio of high-quality equity securities in markets in Europe, Australasia and the Far East (EAFE) that have the potential for long-term capital growth, while seeking to minimize the exposure to currency fluctuations between foreign currencies and the Canadian dollar.

Financial instrument risk and capital management (see note 5 in the generic notes)

The ETF invests in the RBC Quant EAFE Equity Leaders ETF. The ETF's exposure to financial instrument risk is based on the underlying ETF asset mix. The following tables present the ETF's direct risks and pro rata exposure to the risks of the underlying ETF.

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
International Equities		
Financials	17.2	19.6
Industrials	12.9	15.3
Health Care	12.4	8.2
Consumer Discretionary	10.9	12.9
Consumer Staples	8.6	9.1
Materials	7.7	10.0
Communication Services	7.5	4.5
Information Technology	5.3	6.5
Energy	5.1	5.0
Utilities	4.1	3.8
Real Estate	4.0	5.0
Underlying Funds	4.1	—
Other Net Assets	0.2	0.1
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the ETF has been hedged using foreign exchange contracts, the ETF has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 36-month (December 31, 2017 – 31-month) historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI EAFE Total Return Net Index (hedged to CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	7 552	—	—	7 552
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	(249)	—	(249)
Total financial instruments	7 552	(249)	—	7 303
% of total portfolio	103.4	(3.4)	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	18 887	—	—	18 887
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	209	—	209
Derivatives – liabilities	—	—	—	—
Total financial instruments	18 887	209	—	19 096
% of total portfolio	98.9	1.1	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

A management fee is not charged directly to the ETF as this ETF invests in the units of other RBC ETFs.



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the ETF's interest in the sponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Quant EAFE Equity Leaders ETF	102.6	30.7	98.8	61.8

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)
(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Opening units	900	550
Issued number of units	350	350
Reinvested number of units	102	18
Units consolidated*	(102)	(18)
Redeemed number of units	(850)	—
Ending number of units	400	900

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	1	100	1	100
Related-party brokerage commissions*	1	100	1	100
Commission arrangements†	—	—	—	—

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %)
(see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	297	228
Fair value of collateral received	303	233

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	—	100	1	100
RBC IS (paid)	—	(25)	—	(25)
Tax withheld	—	—	—	—
ETF revenue	—	75	1	75

Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)

The following is a summary of the amounts for which the ETF has a legal right to offset in the event of default, insolvency or bankruptcy. "Net amount" represents the impact to the ETF if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	5	(254)
Amounts set-off in the Statements of Financial Position	(5)	5
Net amounts presented in the Statements of Financial Position	—	(249)
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	—	(249)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	219	(10)
Amounts set-off in the Statements of Financial Position	(10)	10
Net amounts presented in the Statements of Financial Position	209	—
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	209	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC INTERNATIONAL EQUITY INDEX ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
INTERNATIONAL EQUITIES				
Communication Services				
935	1&1 Drillisch AG	\$ 87	\$ 65	
8 434	Altice Europe N.V.	45	22	
18 230	Auto Trader Group Plc.	111	144	
1 222	Axel Springer AG	102	94	
50 046	Bezeq Israeli Telecommunication Corporation Ltd.	95	67	
175 089	BT Group Plc.	802	725	
1 800	Capcom Co. Ltd.	28	49	
1 611	CD Projekt S.A.	109	85	
3 056	Cellnex Telecom S.A.	92	107	
968	Cheil Communications Inc.	23	27	
25 038	Cineworld Group Plc.	130	115	
2 200	CyberAgent Inc.	111	116	
6 568	Cyfrowy Polsat S.A.	53	54	
800	Daiichikoshio Co. Ltd.	47	52	
2 100	Dena Co. Ltd.	59	48	
4 900	Dentsu Inc.	276	299	
67 418	Deutsche Telekom AG	1 555	1 560	
4 456	Domain Holdings Australia Ltd.	12	10	
3 049	Elisa OYJ	163	172	
3 335	Eutelsat Communications S.A.	115	90	
900	Fuji Media Holdings Inc.	16	17	
3 524	Gestevisión Telecinco S.A.	50	30	
1 800	Gree Inc.	16	10	
7 200	GungHo Online Entertainment Inc.	24	18	
4 600	Hakuhodo DY Holdings Inc.	79	90	
24 000	Hutchison Telecommunications Hong Kong Holdings Ltd.	11	12	
463	Iliad S.A.	153	89	
26 262	Informa Plc.	326	288	
8 774	Inmarsat Plc.	91	58	
81 731	ITV Plc.	232	177	
1 403	JC Decaux S.A.	67	54	
2 600	Kakaku.com Inc.	45	63	
1 212	Kakao Corp.	196	153	
37 100	KDDI Corporation	1 221	1 212	
1 080	Koei Tecmo Holdings Co. Ltd.	23	24	
1 800	Konami Holdings Corp.	108	108	
66 194	Koninklijke KPN N.V.	286	265	
2 607	Lagardere S.C.A.	109	90	
4 249	LG Telecom Ltd.	73	92	
1 300	LINE Corp.	61	61	
18 600	M1 Ltd.	32	39	
6 675	Mediaset S.p.A.	32	29	
2 805	NAVER Corp.	552	419	
403	NCSOFT Corp.	207	230	
347	Netmarble Corp.	66	47	
7 800	Nexon Co. Ltd.	133	137	
220	NHN Entertainment Corp.	20	15	
2 300	Nintendo Co. Ltd.	1 110	838	

Holdings	Security	Cost	Fair Value	% of Net Assets
Communication Services (cont.)				
13 700	Nippon Telegraph & Telephone Corp.	\$ 790	\$ 764	
1 000	Nippon Television Holdings Inc.	22	20	
26 400	NTT DoCoMo Inc.	765	813	
40 686	Orange S.A.	844	899	
104 000	PCCW Ltd.	71	82	
15 887	Pearson Plc.	162	259	
4 434	ProSiebenSat.1 Media SE	195	108	
2 707	Proximus	116	100	
4 282	Publicis Groupe	382	335	
972	REA Group Ltd.	65	69	
20 010	Rightmove Plc.	135	150	
897	RTL Group S.A.	86	65	
3 260	Schibsted ASA	102	142	
2 645	Scout24 AG	157	166	
8 000	SES S.A., Subscription Receipts	203	209	
200	Shochiku Co. Ltd.	36	26	
30 900	Singapore Press Holdings Ltd.	77	73	
156 400	Singapore Telecommunications Ltd.	532	459	
468	SK Telecom Co. Ltd.	138	154	
2 400	SKY Perfect JSAT Holdings Inc.	14	14	
33 900	Softbank Corp.	545	573	
18 100	SoftBank Group Corp.	1 917	1 646	
35 450	Spark New Zealand Ltd.	114	135	
1 500	Square Enix Holdings Co. Ltd.	72	56	
11 200	StarHub Ltd.	27	20	
541	Swisscom AG	348	352	
12 491	Tele2 AB	184	217	
358 063	Telecom Italia S.p.A.	383	256	
12 935	Telefonica Deutschland Holding AG	89	69	
94 927	Telefonica S.A.	1 286	1 088	
3 900	Telekom Austria AG	46	40	
933	Telenet Group Holding N.V.	81	59	
13 795	Telenor ASA	360	364	
6 700	Television Broadcasts Ltd.	29	17	
57 799	Telia Co. AB	352	374	
93 758	Telstra Corp. Ltd.	311	257	
2 200	Toho Co. Ltd.	97	109	
700	Tokyo Broadcasting System Holdings Inc.	17	15	
7 042	TPG Telecom Ltd.	34	44	
400	TV Asahi Holdings Corp.	10	10	
1 789	UBISOFT Entertainment	178	197	
2 256	United Internet AG	181	135	
19 733	Vivendi S.A.	632	656	
11 592	Vocus Communications Ltd.	27	36	
554 133	Vodafone Group Plc.	1 957	1 474	
25 142	WPP Plc.	571	370	
49 100	Yahoo! Japan Corp.	253	167	
		24 347	22 209	5.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Discretionary				
700	ABC-Mart Inc.	\$ 46	\$ 53	
4 164	Accor S.A.	267	241	
3 982	Adidas AG	1 144	1 134	
3 500	Aisin Seiki Co. Ltd.	234	166	
1 200	Aoyama Trading Co. Ltd.	54	39	
13 044	Aristocrat Leisure Ltd.	286	274	
3 400	Asics Corp.	65	59	
400	ASKUL Corp.	14	12	
2 000	Autobacs Seven Co. Ltd.	43	45	
17 433	B&M European Value Retail S.A.	122	85	
19 378	Barratt Developments Plc.	214	156	
6 785	Bayerische Motoren Werke (BMW) AG	886	749	
1 068	Bayerische Motoren Werke AG Preference	121	104	
2 380	Bellway Plc.	137	104	
1 400	Benesse Corporation	62	49	
2 475	Berkeley Group Holdings Plc.	157	150	
2 900	Bic Camera Inc.	42	50	
13 300	Bridgestone Corp.	770	701	
8 948	Burberry Group Plc.	274	270	
6 000	Cafe de Coral Holdings Ltd.	23	20	
900	Canon Sales Co. Inc.	26	22	
3 693	Carnival Plc.	308	242	
4 200	Casio Computer Co., Ltd.	76	68	
4 109	CECONOMY AG	64	20	
48 000	China Travel International Investment Hong Kong Limited	21	18	
34 200	Chow Tai Fook Jewellery Group Ltd.	49	39	
10 908	Cie Financiere Richemont S.A.	1 238	952	
3 689	Cie Generale des Etablissements Michelin	669	499	
293	CJ ENM Co. Ltd.	88	72	
33 062	Compass Group Plc.	885	949	
2 256	Continental AG	720	425	
1 371	Coway Co. Ltd.	149	124	
7 182	Crown Ltd.	82	82	
1 900	Cycle & Carriage Ltd.	70	67	
17 976	Daimler AG	1 807	1 289	
2 353	Delivery Hero AG	144	119	
9 800	Denso Corp.	623	597	
19 306	Dixons Carphone Plc.	62	40	
1 208	Domino's Pizza Enterprises Ltd.	55	47	
2 300	Don Quijote Holdings Co. Ltd.	112	195	
705	Dufry AG	140	91	
5 113	Electrolux AB	210	147	
4 633	EssilorLuxottica	725	799	
600	Exedy Corp.	23	20	
1 100	Fast Retailing Co. Ltd.	448	772	
1 783	Faurecia	163	92	
2 537	Ferrari N.V.	369	344	
23 225	Fiat Chrysler Automobiles N.V.	518	460	
456	Fielmann AG	49	38	
1 089	Flight Centre Travel Group Ltd.	48	45	
1 100	Fujitsu General Ltd.	28	19	

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Discretionary (cont.)				
43 000	Galaxy Entertainment Group Ltd.	\$ 366	\$ 374	
125 600	Genting Singapore Ltd.	137	123	
616	GrandVision N.V.	20	18	
13 241	GVC Holdings Plc.	216	155	
1 532	Hankook Tire Co. Ltd.	97	75	
1 700	Hankyu Department Stores Inc.	40	33	
2 767	Hanon Systems Corp.	40	37	
217	Hanssem Co. Ltd.	40	18	
10 852	Harvey Norman Holdings Ltd.	40	33	
5 400	Haseko Corp.	92	78	
1 000	Heiwa Corp.	25	28	
861	Hella KGaA Hueck & Co.	66	47	
18 987	Hennes & Mauritz AB, Series B	646	369	
630	Hermes International	404	477	
500	Hikari Tsushin Inc.	77	107	
600	HIS Co. Ltd.	24	30	
36 500	Honda Motor Co. Ltd.	1 377	1 315	
573	Hotel Shilla Co.	60	54	
1 460	Hugo Boss AG	164	123	
7 205	Husqvarna AB	92	73	
55	Hyosung TNC Co. Ltd.	17	12	
196	Hyundai Department Store Co., Ltd.	23	22	
1 325	Hyundai Mobis	395	308	
2 972	Hyundai Motor Co.	538	431	
669	Hyundai Motor Co. Ltd.	80	63	
467	Hyundai Motor Co., Preferred	53	40	
323	Hyundai Wia Corp.	16	14	
2 700	Iida Group Holdings Co. Ltd.	61	64	
9 444	Inchcape Plc.	132	91	
21 639	Inditex S.A.	998	755	
4 182	InterContinental Hotels Group Plc.	284	308	
6 900	Isetan Mitsukoshi Holdings Ltd.	94	104	
11 200	Isuzu Motors Ltd.	191	216	
800	Izumi Co. Ltd.	53	51	
4 800	J Front Retailing Co. Ltd.	84	75	
9 081	JD Sports Fashion Plc.	65	55	
13 936	Just Eat Plc.	165	142	
2 181	Kangwon Land Inc.	73	85	
1 532	Kering S.A.	816	985	
5 209	Kia Motors Corp.	207	215	
45 613	Kingfisher Plc.	231	165	
2 600	Koito Manufacturing CO., Ltd.	203	184	
600	Komeri Co. Ltd.	23	18	
4 000	K's Holdings Corp.	57	54	
900	Kyoritsu Maintenance Co. Ltd.	51	54	
2 292	LG Electronics Inc.	282	175	
112 000	Li & Fung Ltd.	72	24	
8 500	Lifestyle International Holdings Ltd.	15	18	
8 750	L'Occitane International S.A.	23	22	
196	Lotte Shopping Co. Ltd.	52	51	
17	LPP S.A.	52	49	
3 324	Luxottica Group S.p.A.	235	268	
5 164	LVMH Louis Vuitton			
	Moet-Hennessy	1 845	2 082	
27 000	Macau Legend Development Ltd.	5	6	
720	Mando Corp.	53	26	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Discretionary (cont.)				
33 444	Marks & Spencer Group Plc.	\$ 185	\$ 144	
4 100	Marui Co. Ltd.	77	109	
12 900	Mazda Motor Corp.	239	182	
15 000	Melco International Development Ltd.	52	42	
15 548	Merlin Entertainments Plc.	119	86	
14 400	MGM China Holdings Ltd.	41	33	
14 000	Minth Group Ltd.	95	62	
13 600	Mitsubishi Motors Corp.	139	102	
4 036	Moncler S.p.A.	156	182	
4 500	NAMCO BANDAI Holdings Inc.	202	276	
2 713	Next Plc.	227	188	
16 000	Nexteer Automotive Group Ltd.	40	31	
4 200	NGK Spark Plug Co. Ltd.	115	115	
4 200	NHK SPRING CO., LTD.	58	50	
1 600	Nifco	61	52	
7 700	Nikon Corp.	169	157	
39 700	Nissan Motor Co. Ltd.	485	435	
3 200	Nissan Shatai Co. Ltd.	43	39	
1 500	Nitori Co. Ltd.	276	256	
2 200	NOK Corp.	64	42	
2 848	Nokian Renkaat OYJ	161	119	
10 520	Ocado Group Plc.	159	145	
3 900	Oriental Land Co. Ltd.	391	537	
1 700	Paddy Power Betfair Plc.	223	189	
600	Paltac Corporation	30	39	
45 500	Panasonic Corp.	835	561	
2 282	Pandora A/S	288	127	
1 529	Paradise Co. Ltd.	45	35	
6 401	Persimmon Plc.	294	215	
11 474	Peugeot S.A.	352	334	
9 686	Pirelli & C. S.p.A.	94	85	
1 513	Plastic Omnium S.A.	82	48	
3 416	Porsche AG	281	275	
9 900	Prada S.p.A.	48	45	
176	Puma SE	80	117	
15 500	Rakuten Inc.	215	142	
3 987	Renault S.A.	503	340	
1 300	Resorttrust Inc.	31	26	
900	Rinnai Corp.	99	81	
1 909	Rocket Internet SE	74	60	
500	Ryohin Keikaku Co. Ltd.	184	165	
21 028	Sa Sa International Holdings Ltd.	10	11	
836	Salvatore Ferragamo S.p.A.	28	23	
24 600	Samsonite International S.A.	137	95	
49 200	Sands China Ltd.	299	294	
900	Sankyo Co. Ltd.	37	47	
1 300	Sanrio Co. Ltd.	29	35	
523	SEB S.A.	127	92	
3 800	Sega Sammy Holdings Inc.	68	73	
7 000	Sekisui Chemical Co. Ltd.	175	142	
11 900	Sekisui House Ltd.	260	240	
30 000	Shangri-La Asia Ltd.	71	61	
2 800	Sharp Corp.	114	38	
1 200	Shimachu Co. Ltd.	39	44	
500	Shimamura Co. Ltd.	73	52	

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Discretionary (cont.)				
1 600	Shimano Inc.	\$ 267	\$ 309	
135	Shinsegae Department Store	55	42	
36 000	SJM Holdings Ltd.	40	46	
14 088	SKYCITY Entertainment Group Ltd.	47	46	
4 100	Skylark Holdings Co. Ltd.	77	89	
1 785	Sodexo	273	249	
26 500	Sony Corp.	1 245	1 757	
3 200	Stanley Electric Co. Ltd.	142	123	
13 200	Subaru Corp.	574	388	
15 300	Sumitomo Electric Industries Ltd.	315	278	
2 500	Sumitomo Forestry Co. Ltd.	50	45	
3 400	Sumitomo Rubber Industries Inc.	79	55	
9 300	Suzuki Motor Co. Ltd.	605	645	
619	Swatch Group AG	316	246	
39 536	TABCORP Holdings Ltd.	197	163	
3 000	Takashimaya Co. Ltd.	69	52	
62 874	Taylor Wimpey Plc.	208	149	
28 500	Techtronic Industries Co.	200	207	
18 930	The Star Entertainment Group Ltd.	97	83	
900	The Swatch Group AG	88	71	
2 600	The Yokohama Rubber Co. Ltd.	70	67	
1 600	Tokai Rika Company Ltd.	41	36	
1 900	Toyo Tire & Rubber Co. Ltd.	54	33	
1 900	Toyoda Gosei Co. Ltd.	60	51	
1 200	Toyota Boshoku Corp.	32	25	
3 600	Toyota Industries Corp.	259	228	
53 400	Toyota Motor Corp.	4 149	4 258	
1 000	TS Tech Co. Ltd.	43	38	
9 107	TUI AG	199	178	
4 700	USS Co. Ltd.	120	108	
4 900	Valeo S.A.	458	195	
769	Volkswagen AG	169	167	
3 842	Volkswagen AG Preference	814	833	
1 200	Wacoal Corp.	44	42	
24 196	Wesfarmers Ltd.	983	750	
4 079	Whitbread Plc.	272	325	
16 564	William Hill Plc.	70	45	
28 000	Wynn Macau Ltd.	88	83	
38 000	Xinyi Glass Holdings Ltd.	47	57	
16 800	Yamada Denki Co. Ltd.	113	110	
3 200	Yamaha Corp.	151	186	
6 100	Yamaha Motor Co. Ltd.	221	164	
14 000	Yue Yuen Industrial Holdings Ltd.	68	61	
2 912	Zalando SE	198	102	
1 800	Zensho Holdings Co. Ltd.	42	60	
3 400	ZOZO Inc.	125	85	
		49 110	44 798	11.3
Consumer Staples				
16 665	a2 Milk Co. Ltd.	176	170	
14 700	Aeon Co. Ltd.	280	393	
600	Ain Holdings Inc.	52	59	
10 500	Ajinomoto Co. Inc.	263	256	
671	Amorepacific Corp.	247	172	
218	Amorepacific Corp. Preference	41	27	
527	Amorepacific Group, Inc.	92	47	
16 422	Anheuser-Busch InBev S.A./N.V.	2 472	1 479	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Staples (cont.)				
300	Ariake Japan Co. Ltd.	\$ 27	\$ 27	
8 100	Asahi Group Holdings Ltd.	444	430	
7 385	Associated British Foods Plc.	405	262	
47	Barry Callebaut AG	90	100	
2 126	Beiersdorf AG	293	303	
107	BGF Retail Co. Ltd.	22	27	
47 870	British American Tobacco Plc.	3 879	2 082	
1 500	Calbee Inc.	67	64	
2 318	Carlsberg A/S	330	336	
12 469	Carrefour S.A.	315	290	
1 096	Casino Guichard Perrachon S.A.	82	62	
56 000	China Mengniu Dairy Co. Ltd.	199	238	
2	Chocoladefabriken Lindt & Spruengli AG	176	203	
500	Ciz Holdings Co. Ltd.	34	37	
162	CJ CheilJedang Corp.	68	66	
10 305	Coca-Cola Amatil Ltd.	80	81	
3 400	Coca-Cola Bottlers Japan Holdings Inc.	158	139	
3 774	Coca-Cola HBC AG	163	161	
24 196	Coles Group Ltd.	276	273	
1 350	Colruyt S.A.	100	131	
200	Cosmos Pharmaceutical Corp.	56	46	
6 400	Dairy Farm International Holdings Ltd.	64	79	
12 570	Davide Campari-Milano S.p.A.	118	145	
51 102	Diageo Plc.	2 183	2 485	
1 609	Dino Polska S.A.	55	56	
633	Dongsuh Co. Inc.	20	14	
361	E-Mart Co. Ltd.	113	81	
12 756	Essity AB	456	428	
1 000	Ezaki Glico Co. Ltd.	69	69	
1 300	FamilyMart UNY Holdings Co. Ltd.	116	225	
2 000	Fancl Corp.	63	70	
900	Fuji Oil Holdings Inc.	30	39	
4 244	Glanbia Plc.	104	109	
123 400	Golden Agri-Resources Ltd.	43	30	
12 380	Groupe Danone	1 260	1 189	
693	GS Retail Co. Ltd.	31	34	
2 176	Heineken Holding N.V.	262	251	
4 835	Heineken N.V.	617	583	
2 162	Henkel AG & Co. KGaA	337	289	
3 597	Henkel KGaA, Preferred Non-Voting	629	536	
1 400	House Foods Group Inc.	54	66	
1 777	ICA Gruppen AB	84	87	
20 556	Imperial Brands Plc.	1 063	850	
1 100	Ito En Ltd.	47	67	
4 900	Itoham Yonekyu Holdings Inc.	55	40	
31 184	J Sainsbury Plc.	124	144	
24 900	Japan Tobacco Inc.	1 023	811	
4 718	Jeronimo Martins SGPS S.A.	114	76	
1 500	Kagome Co. Ltd.	61	54	
10 000	KAO Corp.	742	1 015	
3 110	Kerry Group Plc.	379	420	
1 801	Kesko OYJ	122	132	
2 700	Kewpie Corp.	84	83	

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Staples (cont.)				
3 800	Kikkoman Corp.	\$ 163	\$ 280	
17 100	Kirin Brewery Co. Ltd.	521	489	
1 200	Kobayashi Pharmaceutical Co. Ltd.	84	112	
22 348	Koninklijke Ahold Delhaize N.V.	527	770	
600	Kose Corp.	90	129	
2 342	KT&G Corp.	299	291	
300	Kusuri no Aoki Holdings Co. Ltd.	21	26	
1 100	Lawson Inc.	93	95	
180	LG Household & Health Care Ltd.	267	243	
43	LG Household & Health Care Ltd. Preference	38	35	
23	Lindt & Spruengli AG	168	194	
4 900	Lion Corp.	114	138	
5 000	L'Oréal S.A.	1 391	1 571	
27	Lotte Chilsung Beverage Co. Ltd.	51	46	
8 412	Marine Harvest	209	242	
1 200	Maruha Nichiro Corp.	56	55	
1 600	Matsumotokiyoshi Holdings Co. Ltd.	70	67	
800	Megmilk Snow Brand Co. Ltd.	29	28	
2 700	MEIJI Holdings Co. Ltd.	272	301	
18 833	Metcash Ltd.Common Stock	45	44	
3 149	METRO AG	79	66	
1 000	Mitsubishi Shokuhin Co. Ltd.	38	35	
800	Morinaga & Co. Ltd.	56	47	
600	Morinaga Milk Industry Co. Ltd.	34	23	
47 805	Morrison WM Supermarkets	187	177	
63 322	Nestlé S.A.	6 794	7 001	
2 100	Nichirei Corp.	68	79	
2 000	Nippon Meat Packers Inc.	146	103	
5 700	Nisshin Flour Milling	124	161	
1 500	Nissin Foods Holdings Co. Ltd.	117	129	
400	Noevir Holdings Co. Ltd.	36	24	
121	Nong Shim Co. Ltd.	52	38	
444	Orion Corp.	60	65	
17 089	Orkla ASA	226	183	
26	Ottogi Corp.	26	23	
4 369	Pernod-Ricard S.A.	811	978	
2 100	Pigeon Corp.	90	123	
1 400	Pola Orbis Holdings Inc.	54	52	
13 168	Reckitt Benckiser Plc.	1 521	1 377	
571	Remy Cointreau S.A.	92	88	
1 200	Sapporo Holdings Ltd.	45	34	
16 500	Seven & I Holdings Co. Ltd.	829	982	
8 300	Shiseido Co. Ltd.	446	712	
4 409	Shufersal Ltd.	36	40	
681	Strauss Group Ltd.	20	21	
2 573	Suedzucker AG	64	45	
700	Sugi Holdings Co. Ltd.	46	38	
42 500	Sun Art Retail Group Ltd.	51	59	
1 300	Sundrug Co. Ltd.	70	53	
2 400	Suntory Beverage & Food Ltd.	137	148	
3 257	Swedish Match AB	148	175	
3 400	Takara Holdings Inc.	40	57	
8 990	Tate & Lyle Plc.	98	103	
202 002	Tesco Plc.	656	668	
36 000	Tingyi Cayman Islands Holding Corp.	71	66	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Staples (cont.)				
2 200	Toyo Suisan Kaisha Ltd.	\$ 105	\$ 105	
14 304	Treasury Wine Estates Ltd.	196	204	
700	Tsuruha Holdings Inc.	107	82	
8 700	Uni-Charm Corporation	275	385	
31 497	Unilever N.V.	2 350	2 332	
22 700	Unilever Plc.	1 661	1 622	
22 000	Uni-President China Holdings Ltd.	27	26	
107 000	Want Want China Holdings Ltd.	98	102	
1 000	Welcia Holdings Co. Ltd.	47	62	
162 000	WH Group Ltd.	213	170	
45 200	Wilmar International Ltd.	139	141	
26 984	Woolworths Group Ltd.	656	763	
2 700	Yakult Honsha Co. Ltd.	257	259	
2 500	Yamazaki Baking Co. Ltd.	59	72	
700	Yaoko Co. Ltd.	54	52	
		45 529	44 024	11.1

Energy				
1 963	Aker BP ASA	48	67	
407 322	BP Plc.	3 333	3 514	
5 048	Caltex Australia Ltd.	160	124	
1 300	Cosmo Energy Holdings Co. Ltd.	37	37	
110	Delek Group Ltd.	25	22	
4 389	Enagas	158	162	
52 550	ENI S.p.A.	1 090	1 128	
21 139	Equinor ASA	533	613	
10 863	Galp Energia SGPS S.A.	246	234	
2 024	Grupa Lotos S.A.	52	65	
845	GS Holdings Corp.	66	53	
3 300	Idemitsu Kosan Co. Ltd.	131	148	
19 200	Inpex Corp.	250	235	
600	Japan Petroleum Exploration Co.	16	15	
15 773	John Wood Group Plc.	184	139	
66 400	JXTG Holdings Inc.	425	477	
1 281	Koninklijke Vopak N.V.	70	79	
3 375	Lundin Petroleum AB	93	115	
3 070	Neste OYJ	206	323	
57 936	Oil Refineries Ltd.	39	38	
29 318	Oil Search Ltd.	206	202	
3 011	OMV AG	218	180	
36 150	Origin Energy Ltd.	255	225	
272	Paz Oil Co. Ltd.	58	56	
7 089	Polski Koncern Naftowy Orlen S.A.	246	279	
45 354	Polskie Gornictwo Naftowe i Gazownictwo S.A.	99	114	
24 913	Repsol SA, Rights	—	16	
24 913	Repsol YPF S.A.	570	548	
94 690	Royal Dutch Shell Plc., A Shares	3 664	3 801	
78 135	Royal Dutch Shell Plc., B Shares	3 042	3 180	
11 044	Saipem S.p.A.	58	56	
39 997	Santos Ltd.	173	211	
3 700	Showa Shell Sekiyu K.K.	52	71	
1 240	SK Innovation Co. Ltd.	302	272	
48 204	Snam Rete Gas S.p.A.	300	287	
841	S-Oil Corp.	119	101	
5 420	Subsea 7 S.A.	95	72	
10 147	TechnipFMC Plc.	341	280	

Holdings	Security	Cost	Fair Value	% of Net Assets
Energy (cont.)				
10 407	Tenaris S.A.	\$ 184	\$ 153	
52 416	Total S.A.	3 663	3 779	
13 222	Whitehaven Coal Ltd.	50	55	
19 494	Woodside Petroleum Ltd.	557	587	
7 221	WorleyParsons Ltd.	100	79	
		21 514	22 192	5.6

Financials				
19 996	3i Group Plc.	314	269	
8 287	ABN AMRO Group N.V.	317	266	
498	Ackermans & van Haaren N.V.	110	102	
7 300	Acom Co. Ltd.	37	33	
3 898	Admiral Group Plc.	122	139	
35 560	Aegon N.V.	256	226	
2 200	AEON Financial Service Co. Ltd.	59	54	
3 727	Ageas	222	229	
251 800	AIA Group Ltd.	2 429	2 855	
15 125	AIB Group Plc.	124	87	
5 600	Aiful Corporation	24	18	
625	Aker ASA	73	46	
8 901	Allianz SE	2 551	2 434	
56 754	AMP Ltd.	279	134	
1 169	Amundi S.A.	118	84	
3 000	Aozora Bank Ltd.	144	122	
7 420	Ashmore Group Plc.	42	47	
2 802	ASR Nederland N.V.	138	151	
27 147	Assicurazioni Generali S.p.A.	625	619	
4 037	ASX Ltd.	210	233	
60 504	Australia & New Zealand Banking Group Ltd.	1 762	1 423	
81 726	Aviva Plc.	670	534	
40 833	AXA S.A.	1 548	1 202	
999	Baloise Holding Ltd.	199	187	
4 833	Banca Mediolanum S.p.A.	52	38	
39 880	Banco BPM S.p.A.	156	123	
115 670	Banco de Sabadell S.A.	287	181	
21 983	Bank Hapoalim Ltd.	188	190	
30 649	Bank Leumi Le-Israel	216	253	
27 670	Bank of East Asia	154	120	
19 399	Bank of Ireland Group Plc.	200	147	
9 475	Bank of Queensland Ltd.	117	88	
3 665	Bank Pekao S.A.	140	145	
22 261	Bankia S.A.	134	89	
13 260	Bankinter S.A.	156	145	
74	Banque Cantonale Vaudoise	68	76	
356 580	Barclays Plc.	1 130	934	
138 900	BBVA S.A.	1 515	1 005	
334 469	BCO Santander Central Hispano S.A.	2 755	2 075	
9 227	Bendigo and Adelaide Bank Ltd.	104	96	
5 980	BNK Financial Group Inc.	74	54	
22 425	BNP Paribas S.A.	2 208	1 382	
74 000	BOC Hong Kong Holdings Ltd.	458	376	
74 457	CaixaBank S.A.	449	368	
11 047	Challenger Ltd.	133	101	
3 074	CNP Assurances	91	89	
23 439	Commerzbank AG	379	212	
37 342	Commonwealth Bank of Australia	2 772	2 599	

The accompanying notes are an integral part of the financial statements.



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Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
23 000	Concordia Financial Group Ltd.	\$ 149	\$ 121	
393	Corp Financiera Alba S.A.	29	26	
25 013	Credit Agricole S.A.	547	368	
3 700	Credit Saison Co. Ltd.	95	59	
53 190	Credit Suisse Group	1 056	796	
29 769	CYBG Plc.	148	94	
2 800	Dah Sing Banking Group Ltd.	8	7	
2 800	Dah Sing Financial Group	24	19	
800	Daishi Hokuetsu Financial Group Inc.	48	30	
35 500	Daiwa Securities Group Inc.	256	246	
14 258	Danske Bank A/S	709	385	
964	DB Insurance Co. Ltd.	77	83	
37 700	DBS Group Holdings Ltd.	752	895	
44 429	Deutsche Bank AG	885	483	
3 923	Deutsche Boerse AG	557	643	
2 723	DGB Financial Group Inc.	41	28	
26 645	Direct Line Insurance Group Plc.	164	148	
21 725	DnB ASA	546	473	
1 310	DWS Group GmbH & Co. KGaA	46	48	
5 826	Erste Bank Der Oesterreichischen Sparkassen AG	311	264	
1 136	Eurazeo S.A.	120	110	
2 067	EXOR N.V.	171	153	
7 584	FinecoBank Banca Fineco S.p.A.	82	104	
1 897	First International Bank of Israel Ltd.	49	54	
46 000	First Pacific Co.	46	24	
3 200	Fukuoka Financial Group Inc.	96	89	
700	Fuyo General Lease Co. Ltd.	54	49	
3 955	Gjensidige Forsikring ASA	90	84	
709	GRENKE AG	102	82	
1 556	Groupe Bruxelles Lambert S.A.	210	185	
855	Grupo Catalana Occidente S.A.	43	44	
45 000	Guotai Junan International Holdings Ltd.	18	10	
6 081	Hana Financial Group Inc.	340	270	
15 300	Hang Seng Bank Ltd.	469	469	
1 162	Hannover Rueckversicherung SE	182	214	
5 643	Hanwha Life Insurance Co. Ltd.	40	29	
1 923	Harel Insurance Investments & Financial Services Ltd.	20	17	
5 692	Hargreaves Lansdown Plc.	152	183	
117	Helvetia Holding AG	79	93	
5 460	Hiscox Ltd.	145	154	
800	Hitachi Credit Corp.	25	23	
3 200	Hokuhoku Financial Group Inc.	64	49	
25 683	Hong Kong Exchanges and Clearing Ltd.	907	1 015	
419 457	HSBC Holdings Plc. (U.K. Reg.)	5 239	4 720	
1 240	Hyundai Marine & Fire Insurance Co. Ltd.	60	62	
5 426	Industrial Bank of Korea	105	93	
8 765	Industrivarden AB	274	245	
81 214	ING Groep N.V.	1 884	1 193	
47 189	Insurance Australia Group Ltd.	300	318	
320 868	Intesa Sanpaolo S.p.A.	1 356	972	
12 307	Investec Plc.	113	94	
3 048	Investor AB	183	177	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
9 367	Investor AB, Series B	\$ 599	\$ 542	
5 693	IOOF Holdings Ltd.	62	28	
30 118	Israel Discount Bank Ltd.	108	127	
600	Jafco Co. Ltd.	37	26	
11 000	Japan Exchange Group Inc.	252	244	
8 300	Japan Post Bank Co. Ltd.	129	125	
28 800	Japan Post Holdings Co. Ltd.	422	454	
1 300	Japan Post Insurance Co. Ltd.	35	41	
4 602	Julius Baer Group Ltd.	339	223	
1 610	Jyske Bank A/S	113	79	
4 900	Kansai Mirai Financial Group Inc.	58	48	
8 098	KB Financial Group Inc.	607	461	
5 595	KBC Groep N.V.	594	495	
4 964	Kinnevik AB	206	163	
746	Korea Investment Holdings Co. Ltd.	76	54	
7 500	Kyushu Financial Group Inc.	58	39	
1 878	L E Lundbergforetagen AB	84	76	
127 904	Legal & General Group Plc.	558	514	
2 289	LG Investment & Securities Co.	42	37	
1 472 781	Lloyds TSB Group Plc.	1 618	1 328	
6 552	London Stock Exchange Group Plc.	426	463	
6 345	Macquarie Group Ltd.	579	663	
2 501	Magellan Financial Group Ltd.	60	57	
19 108	Mapfre S.A.	77	69	
3 500	Matsui Securities Co. Ltd.	35	50	
399	mBank S.A.	62	62	
22 700	Mebuki Financial Group Inc.	112	83	
53 368	Medibank Pvt Ltd.	155	132	
11 219	Mediobanca S.p.A.	152	129	
7 757	Mirae Asset Daewoo Co. Ltd.	90	62	
268 900	Mitsubishi UFJ Financial Group Inc.	2 171	1 801	
8 400	Mitsubishi UFJ Lease & Finance Co. Ltd.	57	55	
3 428	Mizrahi Tefahot Bank Ltd.	80	79	
545 400	Mizuho Financial Group Inc.	1 200	1 156	
10 200	MS&AD Insurance Group Holdings Inc.	411	398	
3 193	Muenchener Rueckversicherungs – Gesellschaft AG	873	950	
57 442	National Australia Bank Ltd.	1 740	1 329	
16 168	Natixis	163	104	
4 100	Nishi-Nippon Financial Holdings Inc.	58	49	
7 150	NN Group N.V.	382	388	
69 400	Nomura Holdings Inc.	488	364	
66 585	Nordea Bank Abp	1 125	765	
5 400	North Pacific Bank Ltd.	21	20	
23 200	Orient Corp.	48	39	
26 600	Orix Corp.	543	532	
69 747	Oversea-Chinese Banking Corp.	729	787	
1 056	Pargesa Holding S.A.	111	104	
338	Partners Group Holding AG	288	279	
842	Perpetual Ltd.	43	26	
9 790	Phoenix Group Holdings Plc.	95	96	
4 505	Platinum Asset Management Ltd.	31	21	
8 936	Poste Italiane S.p.A.	82	97	

The accompanying notes are an integral part of the financial statements.



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Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
19 043	Powszechna Kasa Oszczednosci Bank Polski S.A.	\$ 279	\$ 273	
13 173	Powszechny Zaklad Ubezpieczen S.A.	185	210	
54 155	Prudential Corporation Plc.	1 636	1 321	
28 528	QBE Insurance Group Ltd.	285	277	
32 190	Quilter Plc.	77	66	
2 501	Raiffeisen International Bank Holding AG	104	87	
46 600	Resona Holdings Inc.	297	307	
21 927	RSA Insurance Group Plc.	225	196	
10 263	Sampo OYJ	694	615	
626	Samsung Card Co. Ltd.	29	26	
673	Samsung Fire & Marine Insurance Co. Ltd.	216	222	
1 289	Samsung Life Insurance Co. Ltd.	188	129	
987	Samsung Securities Co. Ltd.	48	38	
717	Santander Bank Polska S.A.	93	93	
4 900	SBI Holdings Inc.	108	132	
2 521	Schroders Plc.	144	107	
3 608	SCOR SE	194	222	
12 700	Seven Bank Ltd.	57	50	
9 354	Shinhan Financial Group Co. Ltd.	533	453	
3 200	Shinsei Bank Ltd.	65	52	
15 900	Singapore Exchange Ltd.	112	114	
31 286	Skandinaviska Enskilda Banken	505	415	
15 383	Société Générale	1 102	668	
354	Sofina S.A.	74	92	
7 100	Sompo Japan Nipponkoa Holdings Inc.	345	330	
3 400	Sony Financial Holdings Inc.	69	87	
10 087	St. James's Place Plc.	189	166	
55 699	Standard Chartered Plc.	705	590	
56 553	Standard Life Aberdeen Plc.	445	253	
27 700	Sumitomo Mitsui Financial Group Inc.	1 338	1 257	
8 000	Sumitomo Mitsui Trust Holdings Inc.	369	401	
26 188	Suncorp-Metway Limited	340	318	
3 400	Suruga Bank Ltd.	95	17	
32 280	Svenska Handelsbanken AB	612	490	
20 742	Swedbank AB	698	632	
732	Swiss Life Holding	324	384	
6 422	Swiss Re AG	750	802	
11 600	T&D Holdings Inc.	213	185	
46 100	TaiFook Securities Group Ltd.	34	20	
735	Talanx AG	37	34	
1 400	The 77 Bank Ltd.	44	33	
800	The Awa Bank Ltd.	32	29	
1 600	The Bank of Kyoto Ltd.	105	91	
13 000	The Chiba Bank Ltd.	119	99	
3 300	The Chugoku Bank Ltd.	58	38	
23 200	The Dai-ichi Life Insurance Co. Ltd.	535	496	
8 300	The Gunma Bank Ltd.	65	47	
8 000	The Hachijuni Bank Ltd.	63	45	
5 700	The Hiroshima Bank Ltd.	58	41	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
7 000	The Iyo Bank Ltd.	\$ 71	\$ 51	
3 500	The Keiyo Bank Ltd.	42	31	
93 058	The Royal Bank of Scotland Group Plc.	427	351	
2 900	The San-In Godo Bank Ltd.	32	28	
1 399	The Shiga Bank Ltd.	49	45	
12 000	The Shizuoka Bank Ltd.	138	129	
4 400	Tokai Tokyo Financial Holdings Inc.	33	26	
14 300	Tokio Marine Holdings, Inc.	734	932	
900	Tokyo Century Corp.	50	54	
2 647	Tryg A/S	76	91	
72 880	UBS Group AG	1 559	1 235	
48 958	UniCredit S.p.A.	1 211	756	
19 013	Unione di Banche Italiane S.p.A.	120	75	
18 137	UnipolSai S.p.A.	53	56	
26 900	United Overseas Bank Ltd.	601	662	
845	Vienna Insurance Group AG Wiener Versicherung Gruppe	31	27	
549	Wendel	113	90	
72 588	Westpac Banking Corporation	2 284	1 748	
10 410	Woori Bank	201	199	
5 200	Yamaguchi Financial Group Inc.	74	68	
1 000	Zenkoku Hosho Co. Ltd.	51	43	
3 137	Zurich Insurance Group AG	1 188	1 274	
		88 289	76 308	19.2
Health Care				
4 200	Alfresa Holdings Corp.	112	147	
2 527	Ambu A/S	97	83	
2 858	Ansell Ltd.	65	61	
2 000	Asahi Intecc Co. Ltd.	68	116	
41 000	Astellas Pharma Inc.	685	715	
26 402	AstraZeneca Plc.	2 262	2 697	
20 026	Bayer AG	3 325	1 894	
801	BioMerieux	84	72	
754	Carl Zeiss Meditec AG	68	80	
1 337	Celltrion Healthcare Co. Ltd.	134	123	
1 676	Celltrion Inc.	575	456	
4 500	Chugai Pharmaceutical Co. Ltd.	239	357	
1 156	Cochlear Limited	188	193	
2 726	Coloplast A/S	294	345	
25 960	ConvaTec Group Plc.	119	63	
9 422	CSL Ltd.	1 265	1 677	
13 300	Daiichi Sankyo Co. Ltd.	379	581	
349	DiaSorin S.p.A.	50	39	
5 600	Eisai Co. Ltd.	377	593	
6 260	Elektro AB	114	102	
231	Eurofins Scientific SE	180	118	
12 707	Fisher & Paykel Healthcare Corp Ltd.	147	151	
4 443	Fresenius Medical Care AG & Co. KGaA	536	393	
8 497	Fresenius SE	875	562	
1 162	Genmab A/S	326	260	
101 516	GlaxoSmithKline Plc.	2 554	2 633	
2 457	GN Store Nord A/S	160	125	
6 589	Grifols S.A.	237	236	
5 000	Grifols S.A. Preference	134	126	

The accompanying notes are an integral part of the financial statements.



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Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care (cont.)				
1 147	H. Lundbeck A/S	\$ 89	\$ 68	
136	Hanmi Pharm Co. Ltd.	88	77	
268	Hanmi Science Co. Ltd.	30	26	
33 579	Healthscope Ltd.	58	72	
3 562	Hikma Pharmaceuticals Plc.	93	106	
1 400	Hisamitsu Pharmaceutical Co. Inc.	87	106	
8 000	Hoya Corp.	554	659	
662	Ipsen S.A.	112	117	
700	Kaken Pharmaceutical Co. Ltd.	44	42	
600	Kissei Pharmaceutical Co. Ltd.	20	21	
19 162	Koninklijke Philips N.V.	985	925	
1 500	Kyorin Co. Ltd.	38	45	
4 900	Kyowa Hakko Kogyo Co. Ltd.	108	127	
1 576	Lonza Group AG	536	556	
9 000	M3 Inc.	171	165	
3 700	Mediceo Paltac Holdings Co. Ltd.	84	108	
7 572	Mediclinic International Plc.	86	42	
2 707	Merck KGaA	380	380	
1 400	Miraca Holdings Inc.	81	43	
4 300	Mitsubishi Tanabe Pharma Corp.	123	85	
500	Mochida Pharmaceutical Co. Ltd.	50	56	
1 400	Nihon Kohden Corp.	41	62	
1 000	Nippon Shinyaku Co. Ltd.	87	87	
2 300	Nipro Corp.	42	39	
1 552	NMC Health Plc.	75	74	
45 819	Novartis AG	4 933	5 335	
36 034	Novo Nordisk A/S	2 210	2 246	
5 800	Olympus Optical Co. Ltd.	254	244	
9 000	Ono Pharmaceutical Co. Ltd.	259	252	
1 958	Orion OYJ	113	93	
852	Orpea	131	119	
8 600	Otsuka Holdings Co. Ltd.	437	481	
2 000	PeptiDream Inc.	84	108	
4 273	QIAGEN N.V.	187	198	
2 852	Ramsay Health Care Ltd.	177	158	
2 529	Recordati S.p.A.	149	120	
515	Roche Holding AG	164	171	
14 593	Roche Holdings AG Genusscheine	4 607	4 921	
1 900	Rohto Pharmaceutical Co. Ltd.	55	71	
9 572	Ryman Healthcare Ltd.	82	94	
259	Samsung Biologics Co. Ltd.	135	123	
22 586	Sanofi	2 812	2 668	
7 500	Santen Pharmaceutical Co. Ltd.	154	148	
662	Sartorius AG Preference	82	113	
464	Sartorius Stedim Biotech	40	63	
1 000	Sawai Pharmaceutical Co. Ltd.	67	65	
6 000	Shionogi & Co. Ltd.	423	468	
18 864	Shire Plc.	1 205	1 500	
2 643	Siemens Healthineers AG	133	151	
956	SillaJen Inc.	140	86	
18 023	Smith & Nephew Plc.	420	459	
9 946	Sonic Healthcare Ltd.	208	211	
1 082	Sonova Holding AG	243	241	
213	Straumann Holding AG	181	182	
3 200	Sumitomo Dainippon Pharma Co. Ltd.	55	139	
1 800	Suzuken Co. Ltd.	79	125	
2 780	Swedish Orphan Biovitrum AB	105	83	

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care (cont.)				
4 000	Sysmex Corp.	\$ 368	\$ 263	
900	Taisho Pharmaceutical Holdings Co. Ltd.	87	124	
1 600	Takara Bio Inc.	56	51	
16 400	Takeda Pharmaceutical Co. Ltd.	1 108	756	
6 700	Terumo Corp.	354	519	
20 982	Teva Pharmaceutical Industries Ltd. ADR	422	442	
1 300	Tsumura & Co.	61	49	
2 500	UCB S.A.	225	278	
932	Vifor Pharma AG	145	138	
2 611	William Demant Holding A/S	92	101	
179	Yuhan Corp.	44	45	
		42 997	43 288	10.9
Industrials				
1 741	Aalberts Industries N.V.	114	79	
36 679	ABB Ltd.	1 151	950	
4 856	ACS Actividades de Construccion y Servicios S.A.	225	256	
3 215	Adecco S.A.	313	205	
1 314	Aena S.A.	304	279	
548	Aeroports de Paris	113	142	
3 700	AGC Inc.	175	158	
1 000	Aica Kogyo Co. Ltd.	41	46	
4 990	Air France-KLM	71	74	
14 695	Air New Zealand Ltd.	45	42	
11 403	Airbus SE	1 336	1 495	
1 357	ALD S.A.	30	22	
6 552	Alfa Laval AB	204	191	
2 300	All Nippon Airways Co. Ltd.	109	113	
9 718	ALS Ltd.	78	63	
3 349	Alstom RGPT	177	184	
6 300	Amada Co. Ltd.	89	77	
1 384	Andritz AG	99	87	
236	AP Moller – Maersk A/S	539	394	
10 110	Ashtead Group Plc.	310	288	
18 987	Assa Abloy AB	525	463	
10 931	Atlantia S.p.A.	447	308	
15 138	Atlas Arteria Stapled Security	82	91	
21 279	Atlas Copco AB	1 085	669	
18 675	Auckland International Airport Ltd.	103	123	
38 120	Aurizon Holdings Ltd.	181	157	
4 898	Babcock International Group	67	42	
70 045	BAE Systems Plc.	702	560	
1 100	Benefit One Inc.	44	46	
4 000	BOC Aviation Ltd.	27	40	
19 164	Bolloré S.A.	117	105	
4 204	Bouygues S.A.	248	206	
1 938	bpost S.A.	69	24	
32 810	Brambles Ltd.	293	320	
3 378	Brenntag AG	238	199	
7 325	Bunzl Plc.	280	302	
6 487	Bureau Veritas S.A.	206	180	
32 017	Capita Plc.	140	63	
13 000	Cathay Pacific Airways Ltd.	27	25	
3 800	Central Japan Railway Co.	848	1 096	
1 884	Cheil Industries Inc.	290	243	

The accompanying notes are an integral part of the financial statements.



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Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
3 000	Chiyoda Corp.	\$ 21	\$ 12	
10 330	Cie de Saint-Gobain	751	470	
2 367	CIMIC Group Ltd.	107	99	
224	CJ Corp.	45	33	
33	CJ Corp. Preference	—	1	
185	CJ Logistics Corp.	36	38	
55 000	CK Hutchison Holdings Ltd.	881	722	
22 348	CNH Industrial N.V.	332	274	
46 310	Cobham Plc.	113	79	
39 600	ComfortDelGro Corporation Ltd.	75	85	
2 700	COMSYS Holdings Corp.	86	90	
472	Daelim Industrial Co. Ltd.	42	59	
3 414	Daewoo Engineering & Construction Co. Ltd.	24	23	
6 500	Dai Nippon Printing Co. Ltd.	192	186	
2 500	Daifuku Co. Ltd.	157	156	
5 500	Daikin Industries Ltd.	738	801	
53	Dassault Aviation S.A.	105	100	
2 170	DCC Plc.	258	226	
5 072	Deutsche Lufthansa AG	186	156	
20 357	Deutsche Post AG	1 134	760	
507	DKSH Holding AG	55	48	
258	Doosan Corp.	35	35	
1 107	Doosan Heavy Industries & Construction Co. Ltd.	21	13	
4 496	Doosan Infracore Co. Ltd.	47	42	
11 509	Downer EDI Ltd.	77	75	
3 928	DSV A/S	366	353	
7 700	East Japan Railway Company	895	931	
4 233	easyJet Plc.	90	81	
1 900	Ebara Corp.	79	58	
4 726	Edenred	177	237	
1 594	Eiffage S.A.	211	182	
587	Elbit Systems Ltd.	111	91	
4 219	Elis S.A.	132	96	
22 645	Epiroc AB	295	286	
18 849	Experian Group Ltd.	487	625	
4 200	FANUC Corp.	1 126	872	
4 998	Ferguson Plc.	450	436	
9 936	Ferrovial S.A.	268	275	
367	Flughafen Zurich AG	105	83	
845	Fomento de Construcciones Y Contratas S.A.	16	15	
689	Fraport AG Frankfurt Airport Services Worldwide	83	67	
2 400	Fuji Electric Holdings Co. Ltd.	87	97	
5 300	Fujikura Ltd.	54	29	
600	Fukuyama Transporting Co. Ltd.	24	32	
1 700	Furukawa Electric Co. Ltd.	118	58	
29 970	G4S Plc.	139	103	
3 421	GEA Group AG	202	120	
728	Geberit AG	435	386	
97	Georg Fischer AG	167	106	
8 741	Getlink SE	137	160	
1 100	Glory Ltd.	50	34	
1 535	GS Engineering & Construction Corp.	73	82	

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
1 400	GS Yuasa Corp.	\$ 45	\$ 39	
5 100	Hankyu Hanshin Holdings Inc.	242	232	
589	Hanwha Aerospace Co. Ltd.	21	23	
732	Hanwha Chemical Corp.	39	28	
947	Hanwha Corp. Preference	20	17	
626	Hapag-Lloyd AG	31	22	
514	HDC Holdings Co. Ltd.	61	11	
719	HDC Hyundai Development Co-Engineering & Construction	46	42	
5 500	Hino Motors Ltd.	82	71	
2 000	Hitachi Construction Machinery Co. Ltd.	76	64	
1 300	Hitachi Transport System Ltd.	41	50	
375	Hochtief AG	78	69	
13 500	Hopewell Holdings	67	81	
1 000	Hoshizaki Corporation	113	83	
13 807	Howden Joinery Group Plc.	98	105	
97 800	Hutchison Port Holdings Trust	53	33	
350	Hyundai Construction Equipment Co. Ltd.	40	18	
1 338	Hyundai Engineering & Construction Co., Ltd.	66	89	
418	Hyundai Glovis Co. Ltd.	75	66	
1 027	Hyundai Heavy Industries	161	162	
201	Hyundai Heavy Industries Holdings Co. Ltd.	104	85	
670	Hyundai Mipo Dockyard Co. Ltd.	43	49	
2 500	IHI Corp. Co. Ltd.	109	94	
5 919	IMI Plc.	122	97	
20 147	International Consolidated Airlines Group S.A.	207	217	
3 436	Intertek Group Plc.	298	287	
3 594	Investment AB Latour	63	62	
3 569	ISS A/S	183	136	
29 900	Itochu Corp.	623	695	
2 300	Japan Airlines Co. Ltd.	97	111	
900	Japan Airport Terminal Co. Ltd.	41	43	
1 200	Japan Steel Works Ltd.	35	26	
4 300	Jardine Matheson Holdings Ltd.	353	409	
3 500	Jardine Strategic Holdings Ltd.	191	175	
4 200	JGC Corp.	86	81	
9 500	Johnson Electric Holdings Ltd.	47	26	
5 000	JS Group Corp.	172	85	
9 000	Kajima Corp.	229	166	
2 000	Kamigumi Co. Ltd.	57	56	
2 000	Kandenko Co. Ltd.	26	27	
3 100	Kawasaki Heavy Industries Ltd.	131	91	
1 600	Kawasaki Kisen Kaisha Ltd.	53	27	
100	KCC Corp.	43	38	
1 900	Keihan Holdings Co. Ltd.	70	106	
4 800	Keihin Electric Express Railway Co. Ltd.	122	107	
2 500	Keio Dentsu Electric Railway	134	199	
2 700	Keisei Electric Railway Co. Ltd.	95	116	
426	KEPCO Plant Service & Engineering Co. Ltd.	22	17	
30 100	Keppel Corp. Ltd.	187	178	

The accompanying notes are an integral part of the financial statements.



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Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
10 500	Kerry Logistics Network Ltd.	\$ 18	\$ 21	
2 500	Kinden Corp.	50	55	
3 403	Kingspan Group Plc.	182	199	
4 200	Kintetsu Group Holdings Co. Ltd.	202	249	
1 364	KION Group AG	162	94	
898	Knorr-Bremse AG	112	110	
1 300	Kokuyo Co. Ltd.	34	26	
19 800	Komatsu Ltd.	730	583	
8 208	Kone OYJ	555	534	
1 313	Koninklijke Boskalis Westminster N.V.	59	45	
1 130	Korea Aerospace Industries Ltd.	71	44	
647	Korean Air Co. Ltd.	26	26	
4 700	Koyo Seiko Co., Ltd.	88	72	
23 400	Kubota Corp.	527	455	
1 061	Kuehne + Nagel International AG	240	186	
2 100	Kurita Water Industries Ltd.	75	70	
1 800	Kyowa Exeo Corporation	59	58	
800	Kyudenko Corp.	39	42	
3 700	Kyushu Railway Co.	139	171	
5 479	Legrand S.A.	501	422	
8 155	Leonardo S.p.A.	185	98	
1 847	LG Corp.	196	158	
1 307	Lotte Confectionery Co. Ltd.	95	84	
603	LS Corp.	48	36	
1 000	Mabuchi Motor Co. Ltd.	62	42	
2 600	Maeda Corp.	39	33	
2 000	Maeda Road Construction Co. Ltd.	54	57	
5 000	Makita Corp.	253	243	
389	MAN SE	54	55	
32 100	Marubeni Corp.	262	309	
16 951	Meggitt Plc.	146	139	
98 631	Melrose Industries Plc.	361	281	
2 028	Metso OYJ	92	73	
8 200	Minebea Co. Ltd.	170	162	
6 300	MISUMI Group Inc.	204	182	
26 900	Mitsubishi Corp.	774	1 011	
41 500	Mitsubishi Electric Corp.	825	628	
6 100	Mitsubishi Heavy Industries Ltd.	303	300	
1 300	Mitsubishi Logistics Corp.	42	40	
35 000	Mitsui & Co.	635	737	
2 100	Mitsui O.S.K. Lines Ltd.	78	63	
1 900	Miura Co. Ltd.	54	59	
2 200	MonotaRO Co. Ltd.	38	74	
2 000	MORI SEIKI Co. Ltd.	46	31	
28 199	MTR Corp.	202	203	
1 156	MTU Aero Engines AG	245	286	
2 300	Nabtesco Corp.	107	69	
2 800	Nagase & Co. Ltd.	59	53	
3 800	Nagoya Railroad Co. Ltd.	107	137	
2 100	Nankai Electric Railway Co. Ltd.	66	76	
5 100	NGK Insulators Ltd.	123	95	
4 834	Nibe Industrier AB	77	68	
5 000	Nidec Corp.	788	776	
2 400	Nihon M&A Center Inc.	74	66	
1 000	Nippo Corp.	25	26	
1 400	Nippon Express Co. Ltd.	111	107	

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
3 100	Nippon Yusen Kabushiki Kaisha	\$ 81	\$ 65	
1 500	Nishi-Nippon Railroad Co. Ltd.	46	52	
2 700	Nisshinbo Holdings Inc.	40	28	
8 800	NSK Ltd.	149	104	
8 200	NTN Corp.	45	32	
27 000	NWS Holdings Ltd.	65	76	
15 700	Obayashi Corp.	238	194	
6 700	Odakyu Electric Railway Co. Ltd.	164	202	
600	Okuma Corp.	43	39	
1 400	OSG Corp.	37	37	
2 065	Osram Licht AG	196	122	
2 000	Park24 Co. Ltd.	60	60	
4 700	Penta-Ocean Construction Co. Ltd.	43	36	
3 300	Persol Holdings Co. Ltd.	98	67	
500	Pilot Corp.	30	33	
872	Posco Daewoo Corp.	23	19	
5 043	Prysmian S.p.A.	202	133	
17 170	Qantas Airways Ltd.	104	96	
2 131	Randstad N.V.	169	133	
82	Rational AG	69	64	
25 200	Recruit Holdings Co. Ltd.	776	835	
40 257	RELX Plc.	1 110	1 131	
40 575	Rentokil Initial Plc.	204	238	
5 850	Rexel S.A.	123	85	
904	Rheinmetall AG	159	109	
156	Rockwool International A/S	71	55	
1 642 556	Rolls-Royce Holdings PLC	535	508	
17 742	Royal Mail Plc.	113	84	
321	S1 Corp.	39	39	
2 333	Saab AB	123	111	
6 958	Safran S.A.	915	1 145	
2 200	Sagami Railway Co. Ltd.	70	90	
3 634	Samsung Engineering Co. Ltd.	54	78	
10 037	Samsung Heavy Industries	97	91	
22 920	Sandvik AB	505	446	
1 000	Sankyu Inc.	51	62	
3 800	Sanwa Shutter Corp.	55	59	
1 323	Schindler Holding AG	372	354	
10 568	Schneider Electric SE	1 157	985	
4 100	Secom Co. Ltd.	387	465	
6 215	Securitas AB	130	136	
6 653	SEEK Ltd.	112	108	
4 200	Seibu Holdings Inc.	89	100	
3 800	Seino Holdings Corp.	69	68	
17 600	SembCorp Industries Ltd.	50	45	
15 700	SembCorp Marine Ltd.	27	24	
3 149	Seven Group Holdings Ltd.	58	43	
4 500	SG Holdings Co. Ltd.	143	160	
112	SGS S.A.	341	343	
700	Shima Seiki Manufacturing Ltd.	61	28	
10 900	Shimizu Corp.	155	121	
36 000	Shun Tak Holdings Ltd.	20	15	
10 800	SIA Engineering Co. Ltd.	33	25	
16 406	Siemens AG	2 885	2 494	
4 331	Siemens Gamesa Renewable Energy	81	72	

The accompanying notes are an integral part of the financial statements.



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Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
2 203	Signify N.V.	\$ 108	\$ 70	
9 800	Singapore Airlines Ltd.	92	93	
16 300	Singapore Airport Terminal Services Limited	72	76	
29 300	Singapore Post Ltd.	34	27	
29 500	Singapore Tech Engineering Ltd.	91	103	
681	SK Holdings Co. Ltd.	246	217	
2 975	SK Networks Co. Ltd.	21	19	
6 886	Skanska AB	198	150	
7 345	SKF AB	198	152	
1 200	SMC Corp.	537	497	
9 229	Smiths Group Plc.	240	219	
507	Société BIC S.A.	70	71	
1 300	Sohgo Security Services Co. Ltd.	75	83	
24 200	Sojitz Corp.	83	115	
1 420	Spirax-Sarco Engineering Plc.	136	154	
245	Sulzer AG	39	26	
24 200	Sumitomo Corp.	431	470	
2 200	Sumitomo Heavy Industries Ltd.	109	90	
21 363	Sydney Airport Holdings Ltd.	149	138	
2 200	Tadano Ltd.	33	27	
4 400	Taisei Corp.	303	258	
900	TechnoPro Holdings Inc.	66	51	
1 206	Teleperformance	231	263	
2 174	Thales S.A.	309	346	
5 246	The Weir Group Plc.	175	118	
2 200	THK Co. Ltd.	96	56	
4 600	Tobu Railway Co. Ltd.	160	170	
4 000	Toda Corp.	39	34	
10 700	Tokyu Corp.	196	239	
800	Toppan Forms Co. Ltd.	11	9	
5 000	Toppan Printing Co. Ltd.	124	101	
12 300	Toshiba Corp.	453	475	
1 100	Toshiba Plant Systems & Services Corp.	28	28	
3 100	TOTO Ltd.	168	147	
4 700	Toyota Tsusho Corp.	198	190	
55 090	Transurban Group	633	617	
5 491	Travis Perkins Plc.	132	102	
4 701	Trelleborg AB	147	101	
4 027	Unaxis Holding AG	90	62	
2 300	Ushio Inc.	39	33	
4 267	Vestas Wind Systems A/S	469	439	
9 610	Vinci S.A.	1 148	1 081	
30 852	Volvo AB	734	551	
9 834	Wartsila Corp. OYJ	288	213	
4 100	West Japan Railway Co.	357	396	
5 423	Wolters Kluwer N.V.	327	437	
7 300	Yamato Transport Co. Ltd.	188	275	
3 436	Zardoya Otis S.A.	46	33	
		62 893	58 281	14.7
Information Technology				
14 500	AAC Technologies Holdings Inc.	317	115	
3 400	Advantest Corp.	87	95	
127	Adyen N.V.	84	94	
3 600	Alps Electric Co. Ltd.	122	96	

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology (cont.)				
8 514	Amadeus IT Group S.A.	\$ 740	\$ 809	
1 662	ams AG	169	54	
6 300	ASM Pacific Technology Limited	115	83	
8 443	ASML Holding N.V.	1 932	1 808	
1 864	Atos SE	367	208	
1 771	Aveva Group Plc.	84	75	
5 600	Brother Industries Ltd.	164	114	
22 100	Canon Inc.	970	826	
3 288	Capgemini S.A.	494	446	
5 200	Citizen Watch Co. Ltd.	45	35	
9 417	Computershare Ltd.	133	156	
800	Dainippon Screen MFG	70	46	
2 683	Dassault Systèmes S.A.	360	434	
600	DISCO Corp.	156	96	
63 350	Ericsson (LM) Tel., Series B	474	760	
56 000	FIH Mobile Ltd.	22	8	
29 000	FIT Hon Teng Ltd.	21	17	
8 100	Fuji Photo Film Co.	407	431	
4 100	Fujitsu Ltd.	392	349	
1 591	Gemalto N.V.	81	126	
2 300	GMO internet Inc.	44	42	
600	GMO Payment Gateway Inc.	25	35	
8 308	Halma Plc.	161	197	
2 500	Hamamatsu Photonics K.K.	99	115	
5 075	Hexagon AB	318	319	
630	Hirose Electric Co. Ltd.	112	84	
1 200	Hitachi High-Technologies Corp.	57	52	
19 400	Hitachi Ltd.	883	709	
1 200	Horiba Ltd.	97	67	
11 236	Hynix Semiconductor Inc.	1 099	832	
2 100	Ibiden Co. Ltd.	43	40	
23 305	Infineon Technologies AG	750	632	
1 284	Ingenico Group S.A.	151	99	
1 600	IT Holdings Corp.	58	86	
1 800	Itochu Techno-Science Corp.	41	48	
1 000	Japan Aviation Electronics Industry Ltd.	20	16	
1 900	Keyence Corp.	1 295	1 317	
11 500	Konica Minolta Holdings Inc.	121	142	
6 700	Kyocera Corporation	541	459	
4 140	LG Display Co. Ltd.	149	91	
3 446	Logitech International S.A.	156	148	
9 851	Micro Focus International Plc.	371	237	
4 000	Murata Manufacturing Co. Ltd.	739	745	
5 600	NEC Corp.	193	228	
1 327	Nice Ltd. ADR	144	196	
1 800	Nihon Unisys Ltd.	60	55	
1 600	Nippon Electric Glass Co. Ltd.	78	54	
117 162	Nokia OYJ	869	920	
2 100	Nomura Research Institute Ltd.	114	107	
600	NS Solutions Corp.	16	20	
14 200	NTT Data Corp.	199	213	
800	OBIC Business Consultants Co. Ltd.	26	43	
1 300	Obic Co. Ltd.	100	137	
4 200	Omron Corp.	276	209	
600	Oracle Corp. Japan	59	52	
2 000	Otsuka Corp.	82	75	

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Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology (cont.)				
14 000	Renesas Electronics Corp.	\$ 187	\$ 87	
871	Renishaw Plc.	64	64	
15 100	Ricoh Co. Ltd.	194	202	
2 000	Rohm Co. Ltd.	219	175	
1 096	Samsung Electro-Mechanics	135	139	
98 912	Samsung Electronics Co. Ltd.	5 973	4 686	
17 650	Samsung Electronics Co. Ltd. Preference	927	686	
1 079	Samsung SDI Co. Ltd.	275	289	
756	Samsung SDS Co. Ltd.	219	189	
20 521	SAP SE	2 907	2 785	
800	SCSK Corp.	43	39	
6 300	Seiko Epson Corp.	189	121	
53 000	Semiconductor Manufacturing International Corp.	72	63	
6 000	Shimadzu Corp.	159	162	
12 812	STMicroelectronics N.V.	322	250	
5 300	Sumco Corp.	122	81	
2 100	Taiyo Yuden Co., Ltd.	42	43	
2 500	TDK Corp.	225	240	
2 284	Telefonaktiebolaget LM Ericsson	16	27	
1 254	Temenos AG	197	205	
23 743	The Sage Group Plc.	275	248	
3 400	Tokyo Electron Ltd.	661	530	
2 000	Topcon Corp.	50	36	
2 609	Tower Semiconductor Ltd.	102	53	
2 600	Trend Micro Inc.	174	193	
900	Ulvac Inc.	73	36	
4 900	Venture Manufacturing (Singapore) Ltd.	84	68	
3 100	Vtech Holdings Ltd.	57	35	
2 378	Wirecard AG	296	493	
891	Worldline S.A.	59	59	
2 389	Xero Ltd.	84	97	
62 352	Xinyi Solar Holdings Ltd.	28	30	
2 400	Yamatake Corp.	64	65	
5 400	Yaskawa Electric Corp.	232	181	
4 700	Yokogawa Electric Corp.	107	111	
		32 185	28 870	7.3
Materials				
2 724	Acerinox S.A.	45	37	
11 785	Adelaide Brighton Ltd.	68	48	
8 713	Air Liquide S.A.	1 354	1 475	
2 900	Air Water Inc.	67	60	
5 179	Akzo Nobel N.V.	601	569	
48 483	Alumina Ltd.	105	107	
23 781	Amcor Ltd.	359	303	
20 972	Anglo American Plc.	500	638	
6 701	Antofagasta Plc.	111	91	
12 666	ArcelorMittal	429	359	
1 522	Arkema	236	178	
25 400	Asahi Kasei Corp.	397	357	
19 075	BASF AG	2 514	1 799	
68 189	BHP Group Ltd.	1 786	2 244	
43 663	BHP Group Plc.	1 003	1 254	
10 957	BlueScope Steel Ltd.	123	115	
5 632	Boliden AB	253	167	

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials (cont.)				
22 613	Boral Limited	\$ 148	\$ 107	
2 154	Buzzi Unicem S.p.A.	62	44	
2 183	Christian Hansen Holding A/S	243	263	
4 853	Clariant AG	146	122	
3 776	Covestro AG	426	255	
17 828	CRH Plc.	813	642	
2 773	Croda International Plc.	179	226	
10 043	CSR Limited	45	27	
5 800	Daicel Chemical Industries Ltd.	87	82	
700	Daido Steel Co. Ltd.	53	38	
1 600	Dainippon Ink and Chemicals Inc.	73	67	
369	DC Chemical Co. Ltd.	69	48	
1 700	Denka Co. Ltd.	71	66	
900	Dowa Mining Co. Ltd.	44	37	
26 062	DS Smith Plc.	200	136	
9 768	DuluxGroup Ltd.	66	62	
137	EMS-Chemie Holding AG	112	89	
29 141	Evolution Mining Ltd.	81	103	
3 596	Evonik Industries AG	162	122	
11 002	Evrast Plc.	90	92	
16 454	Fletcher Building Ltd.	106	74	
31 148	Fortescue Metals Group Ltd.	151	125	
400	FP Corp.	26	33	
3 570	Fresnillo Plc.	86	53	
2 200	Fuchs Petrolub SE Preference	156	123	
70 000	Fushan International Energy Group Ltd.	20	19	
189	Givaudan AG	521	596	
236 416	Glencore Plc.	1 422	1 198	
1 540	Hanwha Chemical Corporation	62	38	
3 164	HeidelbergCement AG	397	264	
1 900	Hitachi Chemical Co. Ltd.	64	39	
3 800	Hitachi Metals Ltd.	66	54	
272	Honam Petrochemical Corp.	131	92	
16 000	Huabao International Holdings Ltd.	12	9	
2 016	Huhtamaki OYJ	110	85	
1 867	Hyundai Steel Co.	129	103	
8 231	Iluka Resources Ltd.	77	60	
749	Imerys S.A.	83	49	
32 639	Incitec Pivot Ltd.	116	103	
12 160	Israel Chemicals Ltd.	62	94	
9 970	James Hardie Industries Plc., Subscription Receipts	181	145	
10 600	JFE Holdings Inc.	261	232	
4 173	Johnson Matthey Plc.	229	203	
3 600	JSR Corp.	83	74	
3 709	K+S AG	115	91	
1 200	Kaneka Corp.	58	59	
3 700	Kansai Paint Co. Ltd.	110	97	
5 107	Kazakhmys Plc.	89	47	
3 500	KGHM Polska Miedz S.A.	110	113	
5 700	Kobe Steel Ltd.	57	54	
3 658	Koninklijke DSM N.V.	383	408	
251	Korea Zinc Co., Ltd.	135	133	
372	Kumho Petro Chemical Co. Ltd.	41	40	
6 800	Kuraray Co. Ltd.	161	131	
9 913	LafargeHolcim Ltd.	721	556	
1 774	Lanxess AG	174	111	

The accompanying notes are an integral part of the financial statements.



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Holdings	Security	Cost	Fair Value	% of Net Assets
Materials (cont.)				
937	LG Chem Ltd.	\$ 457	\$ 398	
158	LG Chem Ltd. Preference	42	38	
1 000	Lintec Corp.	33	29	
509	LOTTE Fine Chemical Co. Ltd.	40	26	
1 600	Maruichi Steel Tube Ltd.	58	69	
26 600	Mitsubishi Chemical Holdings Corp.	327	276	
3 600	Mitsubishi Gas Chemical Co. Inc.	103	74	
2 400	Mitsubishi Materials Corp.	107	86	
3 500	Mitsui Chemicals Inc.	130	108	
1 100	Mitsui Mining & Smelting Co. Ltd.	74	31	
28 000	MMG Ltd.	15	16	
7 743	Mondi Plc.	252	220	
16 518	Newcrest Mining Ltd.	355	346	
3 200	Nippon Kayaku	61	56	
3 000	Nippon Paint Co. Ltd.	123	140	
2 500	Nippon Paper Industries Co. Ltd.	59	61	
600	Nippon Shokubai Co. Ltd.	56	52	
16 000	Nippon Steel & Sumitomo Metal Corp.	457	377	
3 000	Nissan Chemical Corp.	140	215	
900	Nisshin Steel Co. Ltd.	15	14	
3 200	Nitto Denko Corp.	339	221	
1 400	NOF Corp.	51	65	
28 078	Norsk Hydro ASA	266	174	
4 207	Novozymes A/S	277	256	
4 849	Nufarm Ltd.	37	28	
1 863	OCI N.V.	56	52	
17 000	OJI Paper Co. Ltd.	113	120	
8 393	Orica Ltd.	162	139	
28 170	Orora Ltd.	88	83	
5 785	OZ Minerals Ltd.	44	49	
6 021	Polymetal International Plc.	87	86	
1 418	POSCO	601	422	
4 000	Rengo Co. Ltd.	29	43	
7 835	Rio Tinto Limited	524	591	
23 446	Rio Tinto Plc.	1 394	1 521	
8 834	RPC Group Plc.	142	100	
8 500	Shin-Etsu Chemical Co. Ltd.	966	903	
3 000	Showa Denko K.K.	134	122	
2 982	Sika AG	473	515	
3 141	Sims Metal Management Ltd.	41	30	
783	SKC Co. Ltd.	41	34	
4 898	Smurfit Kappa Group Plc.	181	177	
1 480	Solvay S.A.	272	202	
112 334	South32 Ltd.	356	362	
10 893	Stora Enso OYJ, R Shares	200	172	
1 000	Sumitomo Bakelite Co. Ltd.	58	47	
32 000	Sumitomo Chemical Co. Ltd.	248	212	
5 300	Sumitomo Metal Mining Co. Ltd.	235	194	
700	Sumitomo Osaka Cement Co. Ltd.	39	39	
14 330	Svenska Cellulosa AB	154	152	
2 553	Symrise AG	246	257	
2 500	Taiheiyo Cement Corp.	120	106	
2 800	Taiyo Nippon Sanso Corp.	42	63	
4 600	Teijin Ltd.	116	101	
78	The Israel Corporation Ltd.	21	28	
9 926	Thyssen Krupp AG	345	232	

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials (cont.)				
4 000	Tokai Carbon Co. Ltd.	\$ 83	\$ 62	
1 600	Tokuyama Corp.	67	48	
30 900	Toray Industries Inc.	373	297	
5 500	Tosoh Corp.	150	98	
3 100	Toyo Seikan Group Holdings Ltd.	66	97	
1 700	Toyobo Co. Ltd.	41	32	
2 000	Ube Industries Ltd.	73	56	
4 383	Umicore S.A.	252	239	
11 155	UPM-Kymmene OYJ	393	386	
2 634	Voestalpine AG	172	107	
291	Wacker Chemie AG	51	36	
700	Yamato Kogyo Co. Ltd.	23	22	
3 676	Yara International ASA	208	193	
2 800	Zeon Corp.	45	35	
		33 225	30 372	7.6
Real Estate				
2 300	Aeon Mall Co. Ltd.	51	50	
1 288	Airport City Ltd.	20	22	
3 504	Alony Hetz Properties & Investments Ltd.	44	45	
15 190	Aroundtown S.A.	177	171	
52 300	Ascendas Real Estate Investment Trust	129	135	
1 032	Azrieli Group	66	67	
22 358	British Land Company Plc. Real Estate Investment Trust	225	207	
14 201	Capital & Counties Properties Plc.	61	57	
45 332	CapitaLand Commercial Trust Real Estate Investment Trust	68	79	
48 600	CapitaLand Limited	165	151	
44 600	CapitaLand Mall Trust	84	101	
38 000	Champion Real Estate Investment Trust	33	36	
9 100	City Developments Ltd.	100	74	
55 000	CK Asset Holdings Ltd.	563	550	
906	Covivio Real Estate Investment Trust	115	119	
1 600	Daito Trust Construction Co. Ltd.	361	299	
13 400	Daiwa House Industry Co. Ltd.	601	584	
1 937	Derwent London Plc. Real Estate Investment Trust	90	96	
7 452	Deutsche Wohnen SE	409	465	
21 483	Dexus Real Estate Investment Trust	196	219	
1 876	Fastighets AB Balder	63	73	
6 800	Fraser's Property Ltd.	13	11	
3 346	Gazit-Globe Ltd.	40	32	
1 119	Gecina S.A. Real Estate Investment Trust	230	197	
34 913	General Property Trust	169	179	
36 205	Goodman Group	294	370	
5 064	Great Eagle Holdings Ltd.	33	30	
17 214	Hammerson Plc. Real Estate Investment Trust	153	99	
17 000	Hang Lung Group Ltd.	78	59	
39 000	Hang Lung Properties Ltd.	118	102	
23 100	Henderson Land Development	177	157	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate (cont.)				
24 300	Hongkong Land Holdings Ltd.	\$ 226	\$ 209	
6 900	Hulic Co. Ltd.	88	85	
15 000	Hysan Development Co. Ltd.	90	97	
683	ICADE Real Estate Investment Trust	76	71	
4 000	Ichigo Inc.	18	16	
5 411	Inmobiliaria Colonial Socimi S.A. Real Estate Investment Trust	74	69	
17 153	Intu Properties Plc. Real Estate Investment Trust	66	34	
11 500	Kerry Properties Ltd.	61	54	
28 407	Kiwi Property Group Ltd.	34	36	
3 980	Klepierre Real Estate Investment Trust	195	168	
14 795	Land Securities Group Plc. Real Estate Investment Trust	245	207	
1 224	LEG Immobilien AG	157	174	
12 071	LendLease Group	217	135	
4 700	Leopalace21 Corp.	43	26	
43 500	Link Real Estate Investment Trust	445	602	
6 489	Merlin Properties Socimi S.A. Real Estate Investment Trust	108	109	
71 729	Mirvac Group Real Estate Investment Trust	164	154	
24 300	Mitsubishi Estate Co. Ltd.	544	523	
19 900	Mitsui Fudosan Co. Ltd.	565	606	
112 723	New World Development Co.	210	204	
2 300	Nomura Real Estate Holdings Inc.	62	58	
500	Open House Co. Ltd.	40	23	
759	PSP Swiss Property AG	87	102	
2 000	Relo Group Inc.	57	64	
112 650	Scentre Group Real Estate Investment Trust	431	422	
22 804	Segro Plc. Real Estate Investment Trust	217	233	
22 789	Shopping Centres Australasia Property Group Real Estate Investment Trust	51	56	
66 500	Shui On Land Ltd.	22	20	
61 652	Sino Land Co.	137	144	
50 390	Stockland Real Estate Investment Trust	212	171	
9 000	Sumitomo Realty & Development Co. Ltd.	357	451	
29 000	Sun Hung Kai Properties Ltd.	604	565	
45 300	Suntec Real Estate Investment Trust	80	81	
17 500	Swire Pacific Ltd.	38	40	
10 000	Swire Pacific Ltd. 'A'	123	144	
20 400	Swire Properties Ltd.	89	98	
1 711	Swiss Prime Site AG	190	189	
24 000	The Wharf Holdings Ltd.	272	85	
4 000	Tokyo Tatemono Co. Ltd.	67	57	
15 000	Tokyu Fudosan Holdings Corp.	115	101	
16 614	Unibail-Rodamco-Westfield	852	592	
9 200	UOL Group Ltd.	73	57	
63 479	Vicinity Centres Real Estate Investment Trust	164	159	

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate (cont.)				
10 790	Vonovia SE	\$ 592	\$ 667	
24 000	Wharf Real Estate Investment Co. Ltd.		196	
16 000	Wheelock & Co. Ltd.	145	125	
7 200	Wing Tai Holdings Ltd.	15	14	
		13 644	13 329	3.4
Utilities				
336	Acciona S.A.	34	39	
29 896	AEM S.p.A.	64	73	
14 164	AGL Energy Ltd.	318	281	
26 846	APA Group	219	219	
35 285	AusNet Services	58	53	
124 680	Centrica Plc.	354	293	
14 400	Chubu Electric Power Co. Inc.	230	280	
14 500	CK Infrastructure Holdings Ltd.	158	150	
35 000	CLP Holdings Ltd.	447	540	
17 026	Contact Energy Limited	83	92	
45 298	E.ON SE	660	610	
2 941	EDP Renovaveis S.A.	31	36	
3 200	Electric Power Development Co. Ltd.	103	104	
11 324	Electricite de France S.A.	192	244	
6 263	Endesa S.A.	179	197	
162 535	Enel S.p.A.	1 250	1 280	
48 388	Energias de Portugal S.A.	226	230	
34 430	Engie	736	673	
8 929	Fortum OYJ	232	266	
6 122	Gas Natural SDG S.A.	174	213	
3 400	Hokkaido Electric Power Co. Inc.	31	32	
3 300	Hokuriku Electric Power Co.	35	39	
183 800	Hong Kong & China Gas Co. Ltd.	400	519	
124 242	Iberdrola S.A.	1 238	1 361	
3 161	Innogy SE	179	183	
9 479	Italgas S.p.A.	67	74	
15 000	Kansai Electric Power Co. Inc.	255	308	
5 234	Korea Electric Power Corp.	221	212	
353	Korea Gas Corp.	20	21	
9 000	Kyushu Electric Power Co. Inc.	123	147	
18 182	Mercury NZ Ltd.	55	61	
23 840	Meridian Energy Ltd.	61	74	
68 774	National Grid Plc.	1 075	914	
1 000	Nippon Gas Co. Ltd.	65	50	
1 628	Oesterreichische Elektrizitaetswirtschafts AG	100	95	
3 273	Orsted A/S	252	298	
8 900	Osaka Gas Co. Ltd.	217	223	
8 045	Pennon Group Plc.	106	97	
17 561	PGE Polska Grupa Energetyczna S.A.	59	64	
26 000	Power Assets Holdings Ltd.	284	247	
8 884	Red Electrica Corp. S.A.	241	270	
1 760	Rubis SCA	142	129	
11 402	RWE AG	350	338	
635	RWE AG Preference	15	19	
4 571	Severn Trent Plc.	163	144	
3 000	Shikoku Electric Power Co. Inc.	46	50	
21 575	SSE Plc.	489	406	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities (cont.)				
7 030	Suez	\$ 163	\$ 128	
33 803	Terna Rete Elettrica Nazionale S.p.A.	250	262	
5 600	The Chugoku Electric Power Co. Inc.	76	100	
1 700	Toho Gas Co. Ltd.	63	99	
9 100	Tohoku Electric Power Co. Inc.	150	165	
35 200	Tokyo Electric Power Co. Holdings Inc.	185	287	
9 000	Tokyo Gas Co. Ltd.	290	313	
37 746	Towngas China Co. Ltd.	34	38	
3 783	Uniper SE	134	134	
13 209	United Utilities Group Plc.	189	170	
10 255	Veolia Environnement	302	288	
		13 873	14 232	3.6
TOTAL INTERNATIONAL EQUITIES		427 606	397 903	100.3
Less: Transaction costs		(571)	—	—
TOTAL INVESTMENTS		<u>\$ 427 035</u>	397 903	100.3
OTHER NET ASSETS (LIABILITIES)				
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(127)	(0.3)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 397 776</u>	100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 397 903	\$ 420 598
Cash	535	990
Due from investment dealers	2 652	869
Dividends receivable, interest accrued and other assets	673	411
TOTAL ASSETS	401 763	422 868
LIABILITIES		
Due to investment dealers	—	45
Distributions payable	3 898	1 385
Accounts payable and accrued expenses	77	84
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	3 975	1 514
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 397 788	\$ 421 354
Investments at cost	\$ 427 035	\$ 406 831
NAV PER UNIT	\$ 19.60	\$ 21.61

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 14 490	\$ 1 899
Income from investment trusts	375	—
Derivative income	(23)	—
Net realized gain (loss) on investments	2 425	603
Change in unrealized gain (loss) on investments	(42 899)	13 767
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(25 632)	16 269
Other income (loss)	32	586
Securities lending revenue (see note 8 in the generic notes)	157	12
Net gain (loss) on foreign cash balances	(5)	(64)
TOTAL OTHER INCOME (LOSS)	184	534
TOTAL INCOME (LOSS)	(25 448)	16 803
EXPENSES (see notes – ETF Specific Information)		
Management fees	846	191
GST/HST	127	24
Transaction costs	60	574
Withholding tax	2 055	263
TOTAL EXPENSES	3 088	1 052
INCREASE (DECREASE) IN NAV	\$ (28 536)	\$ 15 751
INCREASE (DECREASE) IN NAV PER UNIT	\$ (1.44)	\$ 1.08



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (28 536)	\$ 15 751
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	(6)	10
Net realized loss (gain) on investments	(2 425)	(603)
Change in unrealized loss (gain) on investments	42 899	(13 767)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	(262)	(411)
Increase (decrease) in accrued payables	(7)	84
Cost of investments purchased*	(55 246)	(414 643)
Proceeds from sale and maturity of investments*	35 639	7 591
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(7 944)	(405 988)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	20 313	406 988
Cash paid on redemption of redeemable units*	(3 293)	—
Distributions paid to holders of redeemable units	(9 537)	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 7 483	\$ 406 988
Net unrealized foreign exchange gain (loss) on cash	6	(10)
Net increase (decrease) in cash for the period	(461)	1 000
Cash (bank overdraft), beginning of period	990	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 535	\$ 990
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 375	\$ —
Dividends received, net of withholding taxes	\$ 12 173	\$ 1 223

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 421 354	\$ —
INCREASE (DECREASE) IN NAV	(28 536)	15 751
Early redemption fees	—	—
Proceeds from redeemable units issued	20 313	406 988
Reinvestments of distributions to holders of redeemable units	2 789	—
Redemption of redeemable units	(3 293)	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	19 809	406 988
Distributions from net income	(12 050)	(989)
Distributions from net gains	(2 789)	(139)
Distributions from capital	—	(257)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(14 839)	(1 385)
NET INCREASE (DECREASE) IN NAV	(23 566)	421 354
NAV AT END OF PERIOD	\$ 397 788	\$ 421 354

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to replicate, to the extent possible and before fees and expenses, the performance of a broad international index. Currently, the ETF seeks to track the FTSE Developed ex North America Index (or any successor thereto).

The ETF was started August 9, 2017.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
International Equities		
Financials	19.2	20.2
Industrials	14.7	14.2
Consumer Discretionary	11.3	12.2
Consumer Staples	11.1	10.7
Health Care	10.9	9.6
Materials	7.6	8.1
Information Technology	7.3	6.9
Energy	5.6	5.0
Communication Services	5.6	3.6
Utilities	3.6	3.0
Real Estate	3.4	3.3
Underlying Funds	–	3.2
Other Net Assets	(0.3)	–
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
Euro	28.8	29.5
Japanese yen	24.8	24.0
Pound sterling	16.6	17.2
Swiss franc	8.0	7.6
Australian dollar	6.7	6.7
South Korean won	4.7	1.5
Hong Kong dollar	3.5	3.6
Swedish krona	2.7	2.5
Danish krone	1.6	1.7
Singapore dollar	1.2	1.2

Currency	December 31 2018	December 31 2017
Norwegian krone	0.7	0.6
United States dollar	0.5	3.7
Polish zloty	0.4	–
New Zealand dollar	0.3	0.3
Israeli new shekel	0.3	0.3
Total	100.8	100.4

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 15-month historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018
MSCI EAFE Total Return Net Index (CAD)	+ or - 1.0

Due to the fact that the ETF was in existence for less than six months prior to December 31, 2017, no comparative disclosure is provided because there is insufficient data, and any resulting calculation of the impact on the NAV of the ETF using historical correlation between the ETF's return and a broad-based index could be materially misleading.

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	397 316	587	–	397 903
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	397 316	587	–	397 903
% of total portfolio	99.9	0.1	–	100.0



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	407 283	—	—	407 283
Underlying funds	13 315	—	—	13 315
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	420 598	—	—	420 598
% of total portfolio	100.0	—	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.20% annually, before GST/HST, of the daily NAV of the ETF.

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the ETF's interest in the unsponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
iShares MSCI South Korea Fund	—	—	3.2	0.3

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Opening units	19 500	—
Issued number of units	950	19 500
Reinvested number of units	142	—
Units consolidated*	(142)	—
Redeemed number of units	(150)	—
Ending number of units	20 300	19 500

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	60	100	574	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements [†]	—	—	—	—

* See note 9 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	46 098	39 237
Fair value of collateral received	47 020	40 022

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	211	100	16	100
RBC IS (paid)	(53)	(25)	(4)	(25)
Tax withheld	(1)	—	—	—
ETF revenue	157	75	12	75



December 31, 2018

Investments by other related investment funds (%)
(see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC International Index Currency		
Neutral Fund	98.0	98.0

Subsequent event

RBC GAM has called and will hold a special meeting of unitholders of the ETF on March 22, 2019. Subject to unitholder and regulatory approvals, the ETF will be merged into the iShares Core MSCI EAFE IMI Index ETF, an ETF managed by BlackRock Asset Management Canada Limited, effective on or about April 5, 2019. The ETF will terminate following completion of the merger.



Statement of Financial Position

	December 31
(see note 2 in the generic notes)	2018
ASSETS	
Cash	\$ 20
TOTAL ASSETS	20
NET ASSETS ATTRIBUTABLE TO HOLDERS	
OF REDEEMABLE UNITS ("NAV")	\$ 20
NAV PER UNIT	\$ 20

Statement of Comprehensive Income

For the period ended December 31	
(see note 2 in the generic notes)	2018
TOTAL INCOME (LOSS)	\$ —
TOTAL EXPENSES	—
INCREASE (DECREASE) IN NAV	\$ —
INCREASE (DECREASE) IN NAV PER UNIT	\$ —



Statement of Cash Flow

For the period ended December 31
(see note 2 in the generic notes)

2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (decrease) in NAV \$ —

ADJUSTMENTS TO RECONCILE NET CASH

PROVIDED BY (USED IN) OPERATIONS

Interest for distribution purposes —

Net unrealized foreign exchange (gain) loss
on cash —

Net realized loss (gain) on investments —

Change in unrealized loss (gain) on investments —

Non-cash distributions from underlying funds —

(Increase) decrease in accrued receivables —

Increase (decrease) in accrued payables —

Cost of investments purchased* —

Proceeds from sale and maturity of investments* —

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of redeemable units* 20

Cash paid on redemption of redeemable units* —

Distributions paid to holders of redeemable units —

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES

\$ 20

Net unrealized foreign exchange gain (loss)
on cash —

Net increase (decrease) in cash for the period 20

Cash (bank overdraft), beginning of period —

CASH (BANK OVERDRAFT), END OF PERIOD \$ 20

Interest received (paid) \$ —

Income received from investment trusts \$ —

Dividends received, net of withholding taxes \$ —

* Excludes in-kind transactions.



Statement of Changes in NAV

For the period ended December 31 (see note 2 in the generic notes)	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —
INCREASE (DECREASE) IN NAV	—
Early redemption fees	—
Proceeds from redeemable units issued	20
Reinvestments of distributions to holders of redeemable units	—
Redemption of redeemable units	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	20
Distributions from net income	—
Distributions from net gains	—
Distributions from capital	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—
NET INCREASE (DECREASE) IN NAV	20
NAV AT END OF PERIOD	\$ 20



December 31, 2018

General information (see note 1 in the generic notes)

The ETF was created April 20, 2018. The ETF is not launched and on or about April 5, 2019, the ETF will be terminated.

Subsequent event

Effective on or about April 5, 2019, the ETF will be terminated.

The ETF has applied IFRS on a non-going concern basis for the period ended December 31, 2018. In this case, the non-going concern basis of preparation in accordance with IFRS does not result in any material adjustments to the carrying amounts of assets and liabilities of the ETF prepared on a going concern basis in accordance with IFRS.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC QUANT EMERGING MARKETS DIVIDEND LEADERS ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
INTERNATIONAL EQUITIES				
Communication Services				
55 100	Advanced Info Service PCL, Subscription Receipts	\$ 393	\$ 399	
154 700	Astro Malaysia Holdings Berhad	115	66	
49 599	Bharti Infratel Ltd.	353	251	
3 930	Cheil Communications Inc.	92	108	
112 246	Chunghwa Telecom Co. Ltd.	493	564	
231 700	DiGi.Com Berhad	372	345	
108 294	Far EasTone Telecommunications Co. Ltd.	335	368	
189 200	Maxis Berhad	360	335	
13 954	O2 Czech Republic A.S.	211	204	
595 700	PT Surya Citra Media Tbk	102	106	
1 482 312	PT Telekomunikasi Indonesia Persero Tbk	564	528	
486 700	PT Tower Bersama Infrastructure Tbk	242	166	
82 939	Taiwan Mobile Co. Ltd.	380	392	
31 933	Vodacom Group (Pty) Ltd.	455	400	
		4 467	4 232	7.5
Consumer Discretionary				
3 021	Bajaj Auto Ltd.	167	161	
1 630	Coway Co. Ltd.	177	148	
6 635	Ford Otomotiv Sanayi A.S.	104	85	
29 200	Fuyao Glass Industry Group Co. Ltd.	128	128	
88 000	Geely Automobile Holdings Ltd.	222	212	
10 572	Greek Organization of Football Prognostics S.A.	140	125	
109 600	Guangzhou Automobile Group Co. Ltd.	193	149	
8 200	Hangzhou Robam Appliances Co. Ltd.	33	33	
9 990	Hanon Systems Corp.	129	132	
14 800	Heilan Home Co. Ltd.	29	25	
2 388	Hero Motocorp Ltd.	158	145	
4 200	Kangwon Land Inc.	166	165	
7 221	Mr. Price Group Ltd.	136	169	
11 000	Nien Made Enterprise Co. Ltd.	120	115	
16 400	Petrobras Distribuidora S.A.	108	149	
203 500	PT Matahari Department Store Tbk	203	108	
14 992	Tofas Turk Otomobil Fabrikasi A.S.	118	65	
17 787	Truworths International Ltd.	141	149	
22 400	Wanxiang Qianchao Co. Ltd.	26	23	
7 100	Weifu High-Technology Group Co. Ltd.	26	25	
		2 524	2 311	4.1
Consumer Staples				
8 000	British American Tobacco (Malaysia) Berhad	106	95	
113 000	Dali Foods Group Co. Ltd.	115	114	
3 127	Dongsuh Co. Inc.	103	69	

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Staples (cont.)				
8 400	Henan Shuanghui Investment Development Co	\$ 40	\$ 39	
42 983	ITC Ltd.	219	237	
59 500	Kimberly-Clark de Mexico S.A.	150	129	
1 627	KT&G Corp.	196	202	
12 000	President Chain Store Corp.	164	166	
17 218	PT Gudang Garam Tbk	115	137	
371 079	PT Hanjaya Mandala Sampoerna Tbk	140	131	
6 940	The SPAR Group Ltd.	121	137	
4 971	Tiger Brands Ltd.	176	129	
63 100	Wal-Mart de Mexico S.A.B. de C.V.	229	219	
142 389	Want Want China Holdings Ltd.	134	136	
		2 008	1 940	3.5
Energy				
73 924	Bharat Petroleum Corp Ltd.	546	525	
674 948	China Petroleum & Chemical Corp.	683	658	
49 906	Coal India Ltd.	263	235	
91 000	Formosa Petrochemical Corp.	430	441	
78 881	Hindustan Petroleum Corp. Ltd.	513	391	
10 335	Motor Oil Hellas Corinth Refineries S.A.	301	339	
161 684	Oil & Gas Development Co. Ltd.	241	204	
139 349	Oil & Natural Gas Corp Ltd.	424	409	
32 704	Petronet LNG Ltd.	130	143	
15 913	Polski Koncern Naftowy Orlen S.A.	596	626	
344 600	PTT PCL	579	665	
58 500	Shaanxi Coal Industry Co. Ltd.	82	87	
113 400	Thai Oil PCL	344	315	
13 117	Tupras Turkiye Petrol Rafine	427	393	
11 900	Ultrapar Participacoes S.A.	241	223	
		5 800	5 654	10.1
Financials				
29 814	Absa Group Ltd.	431	458	
127 443	Abu Dhabi Commercial Bank PJSC	368	387	
907 000	Agricultural Bank of China Ltd.	593	543	
183 663	Akbank Turk A.S.	402	323	
94 100	Anxin Trust Co. Ltd.	105	82	
1 810 458	Banco de Chile	303	353	
25 300	Banco Santander Brasil S.A.	337	381	
3 784 700	Banco Santander Chile	363	385	
174 510	Banco Santander Mexico S.A.	349	295	
1 289 454	Bank of China Ltd.	820	760	
84 700	Bank of Nanjing Co. Ltd.	114	109	
887 000	China Construction Bank Corp.	1 135	1 000	
108 000	China Merchants Bank Co. Ltd.	453	541	
566 000	Chinatrust Financial Holding Co.	500	508	
45 436	Coronation Fund Managers Ltd.	290	178	
1 852	Credicorp Ltd.	392	561	
156 000	Dubai Islamic Bank PJSC	299	290	
88 476	FirstRand Ltd.	459	551	
230 000	Fubon Financial Holding Co. Ltd.	487	481	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
519 727	Grupo Aval Acciones y Valores S.A. Preference	\$ 246	\$ 218	
77 900	Grupo Financiero Banorte S.A.B. de C.V.	540	517	
5 984	Hyundai Marine & Fire Insurance Co. Ltd.	303	301	
21 404	Indiabulls Housing Finance Ltd.	353	358	
66 826	Industrial Bank Co. Ltd.	200	199	
31 835	Investec Ltd.	291	239	
11 700	IRB Brasil Resseguros S.A.	284	344	
65 800	Itau Unibanco Holding S.A. Preference	673	823	
130 700	Itausa – Investimentos Itau S.A. Preference	455	556	
34 518	LIC Housing Finance Ltd.	273	330	
25 484	Masraf Al Rayan	351	398	
96 500	MCB Bank Ltd.	189	184	
59 256	Moneta Money Bank A.S.	260	261	
17 923	Nedcor Limited	407	467	
316 000	PICC Property & Casualty Co. Ltd.	495	442	
64 500	Ping An Insurance Group Company of China Ltd.	826	778	
13 300	Porto Seguro S.A.	221	244	
29 029	Powszechny Zaklad Ubezpieczen S.A.	423	463	
499 700	PT Bank Negara Indonesia Persero Tbk	356	418	
1 746 500	PT Bank Rakyat Indonesia Tbk	441	607	
6 858	Qatar Islamic Bank SAQ	276	391	
75 313	Rand Merchant Investment Holdings Ltd.	280	261	
109 999	REC Ltd.	315	263	
48 472	RMB Holdings Ltd.	308	363	
67 375	Sanlam Ltd.	437	510	
34 752	Standard Bank Group Ltd.	540	590	
508 895	Taiwan Cooperative Financial Holding Co. Ltd.	351	399	
		18 294	19 110	34.0
Health Care				
34 000	China Medical System Holdings Ltd.	67	43	
6 300	Hypermecas S.A.	62	67	
25 906	Netcare Ltd.	60	65	
		189	175	0.3
Industrials				
96 120	Aboitiz Equity Ventures Inc.	166	137	
119 900	AirAsia Berhad	128	118	
94 100	Alfa S.A.	140	153	
54 115	Ashok Leyland Ltd.	125	109	
90 000	Beijing Capital International Airport Co. Ltd.	152	130	
43 910	CCR S.A.	213	173	
72 500	China State Construction Engineering Corp. Ltd.	74	82	
34 300	Daqin Railway Co. Ltd.	58	56	

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
293 600	DMCI Holdings Inc.	\$ 97	\$ 97	
8 600	Fangda Carbon New Material Co. Ltd.	39	29	
15 117	Grupo Aeroportuario del Pacifico S.A.B. de C.V.	174	168	
38 000	Haitian International Holdings Ltd.	123	100	
34 000	HAP Seng Consolidated Berhad	97	111	
3 505	Industries Qatar Q.S.C.	155	176	
73 018	Jiangsu Expressway Co. Ltd.	126	139	
2 533	KEPCO Plant Service & Engineering Co. Ltd.	110	103	
54 800	MISC Berhad	116	121	
528 100	PT Waskita Karya Persero Tbk	72	84	
958	S1 Corp.	98	118	
47 000	Sinotruk Hong Kong Ltd.	84	97	
86 000	Weichai Power Co. Ltd.	133	134	
88 400	Westports Holdings Berhad	101	106	
9 300	Zhejiang Chint Electrics Co. Ltd.	41	45	
15 200	Zhengzhou Yutong Bus Co. Ltd.	34	36	
		2 656	2 622	4.7
Information Technology				
81 000	AAC Technologies Holdings Inc.	684	642	
240 000	BYD Electronic International Co. Ltd.	492	412	
115 412	Infosys Ltd.	1 259	1 488	
382 000	Kingboard Laminates Holdings Ltd.	467	430	
162 000	Micro-Star International Co. Ltd.	509	550	
230 000	Nanya Technology Corp.	603	562	
103 291	Novatek Microelectronics Corp.	548	652	
48 710	Phison Electronics Corp.	557	493	
50 533	Samsung Electronics Co. Ltd.	2 601	2 394	
347 000	Synnex Technology International Corp.	504	561	
36 158	Tata Consultancy Services Ltd.	1 052	1 339	
56 456	Tech Mahindra Ltd.	727	799	
203 712	Vanguard International Semiconductor Corp.	510	539	
		10 513	10 861	19.3
Materials				
57 022	Ambuja Cements Ltd.	239	251	
12 700	Braskem S.A. Preference	222	212	
192 000	China Resources Cement Holdings Ltd.	289	236	
48 000	Conch Cement Co. Ltd.	239	318	
107 493	Eregli Demir ve Celik Fabrikalari T.A.S.	255	199	
12 380	Industrias Penoles S.A.	309	206	
6 849	Jastrzebska Spolka Weglowa S.A.	185	167	
41 600	Klabi S.A.	292	233	
246	Korea Zinc Co., Ltd.	126	130	
7 301	Kumba Iron Ore Ltd.	239	196	
176 000	Lee & Man Paper Manufacturing Ltd.	226	204	
8 128	Mondi Ltd.	242	239	
144 139	Petkim Petrokimya Holding A.S.	235	187	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials (cont.)				
146 740	PT Indocement Tunggal Prakarsa Tbk	\$ 245	\$ 257	
345 359	Sinopec Shanghai Petrochemical Co.	250	207	
5 272	Sociedad Quimica y Minera de Chile S.A. Preference	352	283	
5 245	Southern Copper Corp.	292	220	
17 700	The Siam Cement PCL	335	324	
		<u>4 572</u>	<u>4 069</u>	<u>7.2</u>
Real Estate				
60 000	China Evergrande Group	191	245	
12 100	China Fortune Land Development Co. Ltd.	54	61	
19 600	China Merchants Shekou Industrial Zone Holdings Co. Ltd.	62	68	
48 014	China Resources Land Ltd.	188	252	
39 846	China Vanke Co. Ltd.	159	185	
214 000	CIFI Holdings Group Co. Ltd.	202	155	
136 294	DAMAC Properties Dubai Co. PJSC	102	77	
205 354	Emlak Konut Gayrimenkul Yatirim Ortakligi A.S. Real Estate Investment Trust	84	79	
90 070	Fortress REIT Ltd. Real Estate Investment Trust	128	124	
142 000	Future Land Development Holdings Ltd.	132	133	
10 100	Future Land Holdings Co. Ltd.	45	48	
24 400	Gemdale Corp.	44	47	
100 500	KWG Group Holdings Ltd.	138	121	
236 400	Land & Houses PCL NVDR	100	98	
86 000	Logan Property Holdings Co. Ltd.	113	147	
47 000	Longfor Group Holdings Ltd.	143	192	
31 700	Poly Real Estate Group Co. Ltd.	66	74	
168 915	Redefine Properties Ltd. Real Estate Investment Trust	183	155	
18 193	Resilient Ltd. Real Estate Investment Trust	108	98	
26 900	RiseSun Real Estate Development Co. Ltd.	41	43	
53 000	Sunac China Holdings Ltd.	198	236	
188 000	Yuzhou Properties Co. Ltd.	116	106	
		<u>2 597</u>	<u>2 744</u>	<u>4.9</u>
Underlying Funds				
18 322	iShares MSCI Emerging Markets Index Fund	977	977	
		<u>977</u>	<u>977</u>	<u>1.7</u>
Utilities				
129 500	Aboitiz Power Corp.	130	118	
170 309	Aguas Andinas S.A.	130	128	
220 000	Beijing Enterprises Water Group Ltd.	188	153	
11 322	Engie Brasil Energia S.A.	138	132	
78 368	Guangdong Investments Ltd.	159	207	

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities (cont.)				
13 440	Manila Electric Co.	\$ 109	\$ 133	
26 600	Petronas Gas Berhad	155	168	
50 199	Power Grid Corp of India Ltd.	177	194	
2 195	Qatar Electricity & Water Co. Q.S.C.	147	151	
28 100	Sichuan Chuantou Energy Co. Ltd.	43	48	
		<u>1 376</u>	<u>1 432</u>	<u>2.5</u>
TOTAL INTERNATIONAL EQUITIES		<u>55 973</u>	<u>56 127</u>	<u>99.8</u>
Less: Transaction costs		(84)	—	—
TOTAL INVESTMENTS		<u>\$ 55 889</u>	<u>56 127</u>	<u>99.8</u>
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				<u>96</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				<u>\$ 56 223</u>
				<u>100.0</u>

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 56 127	\$ 46 448
Cash	249	153
Due from investment dealers	159	18
Dividends receivable, interest accrued and other assets	99	100
TOTAL ASSETS	56 634	46 719
LIABILITIES		
Due to investment dealers	—	18
Distributions payable	378	103
Accounts payable and accrued expenses	33	29
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	411	150
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 56 223	\$ 46 569
Investments at cost	\$ 55 889	\$ 43 260
NAV		
CAD UNITS	\$ 51 203	\$ 39 161
USD UNITS	\$ 5 020	\$ 7 408
NAV PER UNIT		
CAD UNITS	\$ 20.08	\$ 21.17
USD UNITS*	\$ 14.70	\$ 16.89

* Stated in U.S. dollars.

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 2 132	\$ 1 499
Interest for distribution purposes	8	—
Income from investment trusts	120	—
Net realized gain (loss) on investments	412	1 648
Change in unrealized gain (loss) on investments	(2 950)	3 124
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(278)	6 271
Other income (loss)	(16)	—
Securities lending revenue (see note 8 in the generic notes)	4	2
Net gain (loss) on foreign cash balances	(107)	(131)
TOTAL OTHER INCOME (LOSS)	(119)	(129)
TOTAL INCOME (LOSS)	(397)	6 142
EXPENSES (see notes – ETF Specific Information)		
Management fees	320	232
GST/HST	31	22
Transaction costs	148	113
Withholding tax	246	180
TOTAL EXPENSES	745	547
INCREASE (DECREASE) IN NAV	\$ (1 142)	\$ 5 595
INCREASE (DECREASE) IN NAV		
CAD UNITS	\$ (954)	\$ 4 804
USD UNITS	\$ (188)	\$ 791
INCREASE (DECREASE) IN NAV PER UNIT		
CAD UNITS	\$ (0.46)	\$ 3.14
USD UNITS*	\$ (0.45)	\$ 2.37

* Stated in U.S. dollars.



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 142)	\$ 5 595
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	(3)	—
Net realized loss (gain) on investments	(412)	(1 648)
Change in unrealized loss (gain) on investments	2 950	(3 124)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	1	(53)
Increase (decrease) in accrued payables	4	13
Cost of investments purchased*	(49 837)	(43 443)
Proceeds from sale and maturity of investments*	49 643	43 753
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	1 204	1 093
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	468	110
Cash paid on redemption of redeemable units*	(243)	(100)
Distributions paid to holders of redeemable units	(1 336)	(1 075)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (1 111)	\$ (1 065)
Net unrealized foreign exchange gain (loss) on cash	3	—
Net increase (decrease) in cash for the period	93	28
Cash (bank overdraft), beginning of period	153	125
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 249	\$ 153
Interest received (paid)	\$ 8	\$ —
Income received from investment trusts	\$ 120	\$ —
Dividends received, net of withholding taxes	\$ 1 887	\$ 1 274

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	CAD Units		USD Units		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 39 161	\$ 22 087	\$ 7 408	\$ 3 682	\$ 46 569	\$ 25 769
INCREASE (DECREASE) IN NAV	(954)	4 804	(188)	791	(1 142)	5 595
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	29 597	23 246	2 086	3 085	31 683	26 331
Reinvestments of distributions to holders of redeemable units	—	—	—	—	—	—
Redemption of redeemable units	(15 188)	(10 086)	(4 088)	(1)	(19 276)	(10 087)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	14 409	13 160	(2 002)	3 084	12 407	16 244
Distributions from net income	(1 405)	(847)	(197)	(144)	(1 602)	(991)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	(8)	(43)	(1)	(5)	(9)	(48)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 413)	(890)	(198)	(149)	(1 611)	(1 039)
NET INCREASE (DECREASE) IN NAV	12 042	17 074	(2 388)	3 726	9 654	20 800
NAV AT END OF PERIOD	\$ 51 203	\$ 39 161	\$ 5 020	\$ 7 408	\$ 56 223	\$ 46 569

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure to the performance of a diversified portfolio of high-quality emerging market dividend-paying equity securities that will provide regular income and that have the potential for long-term capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
International Equities		
Financials	34.0	35.5
Information Technology	19.3	14.4
Energy	10.1	10.0
Communication Services	7.5	8.6
Materials	7.2	7.0
Real Estate	4.9	3.3
Industrials	4.7	5.0
Consumer Discretionary	4.1	6.0
Consumer Staples	3.5	4.8
Utilities	2.5	2.9
Health Care	0.3	0.2
Underlying Funds	1.7	2.0
Other Net Assets	0.2	0.3
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
Hong Kong dollar	19.0	13.3
Indian rupee	13.6	14.0
New Taiwan dollar	12.1	12.2
South African rand	9.7	12.4
South Korean won	6.9	9.4
Brazilian real	6.3	4.7
Indonesian rupiah	4.5	5.8
Thailand baht	3.2	4.8
United States dollar	3.1	3.0
Mexican peso	3.0	2.8
Malaysian ringgit	2.6	3.0
Turkish new lira	2.4	3.0
Polish zloty	2.2	1.7
Chinese renminbi	2.2	–

Currency	December 31 2018	December 31 2017
Chilean peso	2.0	2.3
Qatari rial	2.0	0.9
UAE dirham	1.3	1.8
Philippine peso	0.9	1.4
Czech koruna	0.8	–
Euro	0.8	0.6
Pakistani rupee	0.7	0.7
Colombian peso	0.4	1.3
Hungarian forint	–	0.8
Total	99.7	99.9

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 36-month historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI Emerging Markets Total Return		
Net Index (CAD)	+ or - 0.9	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	55 150	–	–	55 150
Underlying funds	977	–	–	977
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	56 127	–	–	56 127
% of total portfolio	100.0	–	–	100.0



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	45 506	—	—	45 506
Underlying funds	942	—	—	942
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	46 448	—	—	46 448
% of total portfolio	100.0	—	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
CAD Units	0.64%
USD Units	0.64%

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the ETF's interest in the unsponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
iShares MSCI Emerging Markets Index Fund	1.7	—	2.0	—

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	874
Non-capital losses	—

Redeemable units (000s)

(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CAD Units		
Opening units	1 850	1 200
Issued number of units	1 400	1 150
Reinvested number of units	—	—
Redeemed number of units	(700)	(500)
Ending number of units	2 550	1 850

USD Units

Opening units	350	200
Issued number of units	100	150
Reinvested number of units	—	—
Redeemed number of units	(200)	—
Ending number of units	250	350

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	148	100	113	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements [†]	—	—	—	—

* See note 9 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	3 154	2 180
Fair value of collateral received	3 217	2 224



December 31, 2018

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	6	100	3	100
RBC IS (paid)	(2)	(25)	(1)	(27)
Tax withheld	–	(3)	–	(1)
ETF revenue	4	72	2	72

Investments by other related investment funds (%)
(see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Strategic Global Dividend Leaders ETF	1.6	1.5



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC QUANT EMERGING MARKETS EQUITY LEADERS ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
INTERNATIONAL EQUITIES				
Communication Services				
271	58.com Inc. ADR	\$ 20	\$ 20	
9 600	Advanced Info Service PCL, Subscription Receipts	73	69	
147 500	America Movil S.A.B. de C.V.	162	143	
643	Autohome Inc. ADR	66	69	
557	Baidu.com Inc. ADR	179	121	
318	CD Projekt S.A.	22	17	
3 000	China Communications Services Corp. Ltd.	3	3	
13 000	China Mobile (Hong Kong) Ltd.	158	171	
118 000	China Telecom Corp. Ltd.	75	82	
36 000	China Unicom Hong Kong Ltd.	54	53	
2 000	Chunghwa Telecom Co. Ltd.	9	10	
15 847	Emirates Telecommunications Group Co. PJSC	96	100	
27 800	Maxis Berhad	50	49	
8 507	MTN Group Ltd.	101	72	
97	NCSOFT Corp.	43	55	
141	Netease.com ADR	38	45	
1 010	PLDT Inc.	37	30	
107 000	PT Surya Citra Media Tbk	17	19	
104	SK Telecom Co. Ltd.	30	34	
1 300	Telefonica Brasil S.A. Preference	23	21	
922	Telkom SA Ltd.	4	6	
12 300	Tencent Holdings Ltd.	776	674	
9 300	TIM Participacoes S.A.	45	39	
587	YY Inc. ADR	75	48	
		2 156	1 950	12.8
Consumer Discretionary				
2 272	Alibaba Group Holding Ltd. ADR	490	425	
1 300	Alsea S.A.B. de C.V.	4	5	
24 500	BAIC Motor Corp Ltd.	18	18	
3 100	China International Travel Service Corp. Ltd.	36	37	
9 000	Geely Automobile Holdings Ltd.	23	22	
2 700	Gree Electric Appliances Inc. of Zhuhai	20	19	
7 000	Haier Electronics Group Co. Ltd.	25	24	
50 100	Home Product Center PCL NVDR	29	32	
524	Hyundai Motor Co.	90	76	
2 238	Kia Motors Corp.	89	92	
333	LG Electronics Inc.	34	25	
18	LPP S.A.	54	51	
200	Magazine Luiza S.A.	11	13	
3 123	Mr. Price Group Ltd.	73	73	
479	New Oriental Education & Technology Group Inc. ADR	51	36	
4 700	Petrobras Distribuidora S.A.	32	43	
30 000	PT Matahari Department Store Tbk	13	16	
1 158	TAL Education Group ADR	47	42	

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Discretionary (cont.)				
9 063	Tata Motors Limited ADR	\$ 200	\$ 151	
3 042	Truworths International Ltd.	28	25	
115	Yum! China Holdings Inc.	5	5	
		1 372	1 230	8.1
Consumer Staples				
12 300	Ambev S.A.	95	67	
700	Arca Continental S.A.B. de C.V.	5	5	
2 000	China Mengniu Dairy Co. Ltd.	7	9	
2 765	Clicks Group Ltd.	48	50	
19 900	CP ALL PCL	59	57	
59	E-Mart Co. Ltd.	18	13	
4 900	Fomento Economico Mexicano S.A. Series B	57	57	
1 800	Foshan Haitian Flavouring & Food Co. Ltd.	22	25	
16 800	IOI Corporation Berhad	25	25	
1 300	JBS S.A.	4	5	
22 800	Kimberly-Clark de Mexico S.A.	51	49	
480	KT&G Corp.	58	60	
200	Kweichow Moutai Co. Ltd.	26	23	
2 600	Nestlé (Malaysia) Berhad	120	127	
5 112	Pick n Pay Stores Ltd.	36	33	
9 000	President Chain Store Corp.	120	124	
62 600	PT Charoen Pokphand Indonesia Tbk	23	43	
4 100	PT Gudang Garam Tbk	28	33	
293 200	PT Hanjaya Mandala Sampoerna Tbk	99	103	
6 500	PT Unilever Indonesia Tbk	24	28	
2 140	Shoptite Holdings Ltd.	50	39	
16 000	Sun Art Retail Group Ltd.	23	22	
604	The SPAR Group Ltd.	12	12	
14 000	Tingyi Cayman Islands Holding Corp.	33	26	
22 000	Uni-President Enterprises Corp.	64	68	
1 740	Universal Robina Corp.	6	6	
26 700	Wal-Mart de Mexico S.A.B. de C.V.	87	93	
37 000	Want Want China Holdings Ltd.	36	35	
		1 236	1 237	8.1
Energy				
4 000	China Oilfield Services Ltd.	5	5	
150 000	China Petroleum & Chemical Corp.	170	146	
54 000	CNOOC Ltd.	112	114	
800	Cosan SA Industria e Comercio	11	9	
34 659	Ecopetrol S.A.	47	39	
1 277	Grupa Lotos S.A.	28	41	
449	GS Holdings Corp.	33	28	
727	MOL Hungarian Oil & Gas Plc.	10	11	
48 000	Petrochina Co.	46	41	
16 532	Petroleo Brasileiro S.A.	130	132	
2 016	Polskie Gornictwo Naftowe i Gazownictwo S.A.	4	5	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Energy (cont.)				
106 800	PT Adaro Energy Tbk	\$ 19	\$ 12	
5 700	PTT Exploration & Production PCL	30	27	
15 100	PTT PCL	30	29	
3 581	Reliance Industries Ltd. GDR	137	156	
138	SK Innovation Co. Ltd.	32	30	
4 300	Thai Oil PCL	15	12	
26 000	Yanzhou Coal Mining Co. Ltd.	40	29	
		899	866	5.7

Financials				
3 857	Absa Group Ltd.	65	59	
18 227	Abu Dhabi Commercial Bank PJSC	46	55	
112 000	Agricultural Bank of China Ltd.	74	67	
12 562	Alpha Bank AE	37	22	
1 315	Ayala Corp.	32	31	
9 290	Banco Bradesco S.A. Preference	114	127	
428	Banco de Credito e Inversiones	39	38	
2 300	Banco do Brasil S.A.	30	38	
10 290	Banco Santander Mexico S.A.	19	17	
1 300	Bangkok Bank PCL (Foreign)	11	11	
249 000	Bank of China Ltd.	160	147	
12 110	BDO Unibank Inc.	43	41	
2 882	BNK Financial Group Inc.	33	26	
65 000	China Citic Bank	60	54	
262 000	China Construction Bank Corp.	310	295	
5 000	China Everbright Bank Co. Ltd.	3	3	
22 000	China Everbright Ltd.	55	53	
130 000	China Huarong Asset Management Co. Ltd.	40	32	
11 837	China Life Insurance Co. Ltd.	15	15	
10 000	China Merchants Bank Co. Ltd.	53	50	
77 000	Chinatrust Financial Holding Co.	69	69	
182	Credicorp Ltd.	53	55	
166	DB Insurance Co. Ltd.	13	14	
2 559	DGB Financial Group Inc.	33	26	
24 440	Eurobank Ergasias S.A.	29	21	
16 738	FirstRand Ltd.	105	104	
31 000	Fubon Financial Holding Co. Ltd.	67	65	
49 890	Grupo Aval Acciones y Valores S.A. Preference	26	21	
8 900	Grupo Financiero Banorte S.A.B. de C.V.	65	59	
2 100	Grupo Financiero Inbursa S.A.B. de C.V.	4	4	
18 561	Haci Omer Sabanci Holding A.S.	47	36	
829	Hana Financial Group Inc.	39	37	
197	Hyundai Marine & Fire Insurance Co. Ltd.	9	10	
5 020	ICICI Bank Ltd. ADR	60	71	
191 000	Industrial & Commercial Bank of China	194	186	
2 177	Industrial Bank of Korea	40	37	
4 394	Investec Ltd.	39	33	
2 600	IRB Brasil Resseguros S.A.	65	76	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
15 315	Itau Unibanco Holding S.A. Preference	\$ 171	\$ 192	
16 070	Itausa – Inwestimentos Itau S.A. Preference	70	68	
2 600	Kasikornbank PCL	21	20	
988	KB Financial Group Inc.	57	56	
323	Korea Investment Holdings Co. Ltd.	28	24	
1 466	LG Investment & Securities Co.	25	23	
1 700	Liberty Holdings Ltd.	18	18	
9 000	Mega Financial Holding Co. Ltd.	10	10	
1 647	Nedcor Limited	44	43	
1 378	OTP Bank Rt.	72	76	
17 000	PICC Property & Casualty Co. Ltd.	27	24	
13 000	Ping An Insurance Group Company of China Ltd.	153	157	
1 300	Porto Seguro S.A.	22	24	
1 735	Powszechna Kasa Oszczednosci Bank Polski S.A.	24	25	
55 400	PT Bank Mandiri Persero Tbk	37	39	
408	Qatar Islamic Bank SAQ	17	23	
1 319	Qatar National Bank SAQ	69	96	
6 136	RMB Holdings Ltd.	45	46	
90	Samsung Fire & Marine Insurance Co. Ltd.	29	30	
408	Samsung Life Insurance Co. Ltd.	55	41	
1 101	Samsung Securities Co. Ltd.	44	42	
714	Sanlam Ltd.	5	5	
25 332	Shin Kong Financial Holding Co. Ltd.	12	10	
1 555	Shinhan Financial Group Co. Ltd.	86	75	
4 689	Standard Bank Group Ltd.	90	80	
700	Sul America S.A.	6	7	
2 435	The Commercial Bank of Qatar QSC	33	36	
25 000	The People's Insurance Co. Group of China Ltd.	16	14	
3 400	The Siam Commercial Bank PCL	19	19	
12 963	Türkiye Garanti Bankasi A.S.	32	26	
2 823	Woori Bank	51	54	
69 000	Yuanta Financial Holding Co. Ltd.	41	47	
		3 625	3 555	23.3

Health Care				
15 700	Bangkok Dusit Medical Services PCL	16	16	
3 200	Bumrungrad Hospital PCL	25	25	
214	Celltrion Inc.	62	58	
12 000	China Medical System Holdings Ltd.	35	15	
16 000	CSPC Pharmaceutical Group Ltd.	47	32	
2 054	Dr. Reddy's Laboratories Ltd. ADR	94	106	
16 000	Genscript Biotech Corp.	38	29	
800	Huadong Medicine Co. Ltd.	6	4	
1 400	Hypermarcas S.A.	16	15	
13 749	Netcare Ltd.	36	35	
1 400	Odontoprev S.A.	6	7	
30 000	Sino Biopharmaceutical Ltd.	46	27	
		427	369	2.4

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials				
72	51job Inc. ADR	\$ 6	\$ 6	
2 170	Aboitiz Equity Ventures Inc.	3	3	
14 000	Air China Ltd.	21	17	
23 600	Airports of Thailand PCL	62	64	
14 800	Alfa S.A.	23	24	
1 569	Bidvest Group Ltd.	34	31	
3 200	CCR S.A.	15	13	
298	Cheil Industries Inc.	44	38	
11 000	China Communications Construction Co. Ltd.	14	14	
40 000	China Eastern Airlines Corp Ltd.	32	30	
58 000	Citic Pacific Ltd.	118	124	
217	Daelim Industrial Co. Ltd.	23	27	
907	DP World Ltd.	25	21	
28 500	Fosun International	65	57	
2 600	Grupo Aeroportuario del Pacifico S.A.B. de C.V.	30	29	
954	GS Engineering & Construction Corp.	48	51	
1 982	Imperial Logistics Ltd.	38	13	
7 740	JG Summit Holdings Inc.	12	11	
1 358	Latam Airlines Group S.A.	22	19	
7 700	Malaysia Airports Holdings Berhad	21	21	
39 000	Metallurgical Corp of China Ltd.	14	13	
1 945	Promotora y Operadora de Infraestructura S.A.B. de C.V.	25	25	
84	S1 Corp.	10	10	
3 000	Sany Heavy Industry Co. Ltd.	5	5	
52 200	Sime Darby Berhad	48	41	
4 000	Sinopec Engineering Group Co. Ltd.	5	4	
9 000	Sinotruk Hong Kong Ltd.	16	19	
62	SK Holdings Co. Ltd.	21	20	
1 210	SM Investments Corp.	28	29	
3 591	TAV Havalimanlari Holding A.S.	21	22	
10 618	Turk Hava Yollari	46	44	
13 000	Weichai Power Co. Ltd.	20	20	
		915	865	5.7

Information Technology				
74 000	Acer Inc.	73	64	
3 000	Asustek Computer Inc.	30	27	
108 000	AU Optronics Corp.	61	59	
2 000	Catcher Technology Co. Ltd.	30	20	
7 800	Cielo S.A.	32	24	
2 000	Delta Electronics Inc.	10	12	
1 348	Globalwafers Co. Ltd.	23	17	
1 437	Hynix Semiconductor Inc.	126	106	
16 956	Infosys Technologies Ltd. ADR	79	220	
159 000	InnoLux Display Corp.	82	69	
69 000	Inventec Corp.	70	68	
8 000	Kingdee International Software Group Co. Ltd.	10	10	
18 000	Lite-On Technology Corp.	25	32	
21 680	Macronix International	35	18	
5 000	MediaTek Inc.	62	51	
8 000	Nanya Technology Corp.	29	20	
9 000	Novatek Microelectronics Corp.	49	57	

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology (cont.)				
2 000	Realtek Semiconductor Corp.	\$ 11	\$ 13	
89	Samsung Electro-Mechanics	12	11	
13 104	Samsung Electronics Co. Ltd.	704	621	
90	Samsung SDS Co. Ltd.	22	22	
49 500	Taiwan Semiconductor Manufacturing Co. Ltd.	483	496	
18 000	United Microelectronics Corporation Ltd.	12	9	
2 000	Walsin Technology Corp.	14	14	
		2 084	2 060	13.5

Materials				
408	Anglo American Platinum Corp.	16	21	
857	AngloGold Ashanti Ltd.	10	15	
7 000	Asia Cement Corp.	9	11	
2 500	Baoshan Iron & Steel Co. Ltd.	4	3	
1 900	Braskem S.A. Preference	32	32	
18 000	China National Building Material Co. Ltd.	23	17	
20 000	China Resources Cement Holdings Ltd.	25	25	
7 500	Conch Cement Co. Ltd.	50	50	
157	DC Chemical Co. Ltd.	26	21	
13 518	Empresas CMPC S.A.	63	59	
13 000	Formosa Chemicals & Fibre Corp.	57	61	
18 000	Formosa Plastics Corp.	78	81	
14 000	Grupo Mexico S.A.B. de C.V.	48	39	
86	Honam Petrochemical Corp.	38	29	
666	Jastrzebska Spolka Weglowa S.A.	18	16	
230	Kumba Iron Ore Ltd.	8	6	
70	Kumho Petro Chemical Co. Ltd.	7	7	
28 000	MMG Ltd.	19	16	
9 000	Nan Ya Plastic Corporation	30	30	
16 300	Petronas Chemicals Group Berhad	43	50	
206	POSCO	77	61	
18 600	PT Indah Kiat Pulp & Paper Corp. Tbk	26	20	
13 500	PTT Global Chemical PCL	46	40	
306	Sasol Ltd.	13	12	
52 000	Sinopec Shanghai Petrochemical Co.	35	31	
83	Sociedad Quimica y Minera de Chile S.A. Preference	5	4	
1 800	The Siam Cement PCL	34	33	
9 100	Vale S.A.	163	164	
11 986	Vedanta Ltd. ADR	198	189	
		1 201	1 143	7.5

Real Estate				
18 000	Agile Group Holdings Ltd.	38	29	
29 000	Ayala Land Inc.	30	31	
11 000	China Evergrande Group	41	45	
10 000	China Overseas Land & Investment Ltd.	40	47	
14 000	China Resources Land Ltd.	65	74	
1 800	China Vanke Co. Ltd.	9	8	
39 489	Emaar Development PJSC	68	65	
40 893	Emlak Konut Gayrimenkul Yatirim Ortakligi A.S. Real Estate Investment Trust	17	16	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate (cont.)				
20 255	Future Land Development Holdings Ltd.	\$ 19	\$ 19	
2 400	Future Land Holdings Co. Ltd.	11	11	
3 731	Growthpoint Properties Ltd. Real Estate Investment Trust	11	8	
729	Hyprop Investments Ltd. Real Estate Investment Trust	8	6	
8 000	KWG Group Holdings Ltd.	11	10	
11 581	Logan Property Holdings Co. Ltd.	18	20	
5 295	Redefine Properties Ltd. Real Estate Investment Trust	5	5	
22 000	Ruentex Development Co. Ltd.	49	44	
12 000	Shimao Property Holdings Ltd.	39	44	
2 000	Sunac China Holdings Ltd.	8	9	
23 584	Yuzhou Properties Co. Ltd.	13	13	
		<u>500</u>	<u>504</u>	<u>3.3</u>
Underlying Funds				
22 551	iShares MSCI Emerging Markets Index Fund	1 165	1 203	
		<u>1 165</u>	<u>1 203</u>	<u>7.9</u>
Utilities				
25 264	Aguas Andinas S.A.	20	19	
2 200	Centrais Eletricas Brasileiras S.A. Preference	17	22	
1 035	CEZ A.S.	32	34	
26 000	China Longyuan Power Group Corp.	31	24	
2 600	Cia de Saneamento Basico do Estado de Sao Paulo	29	29	
73 096	Colbun S.A.	22	20	
22 000	Huaneng Renewables Corp Ltd.	12	8	
2 030	Manila Electric Co.	19	20	
4 500	Petronas Gas Berhad	27	29	
8 800	Tenaga Nasional Berhad	42	39	
41 100	YTL Corp. Berhad	15	13	
		<u>266</u>	<u>257</u>	<u>1.7</u>
TOTAL INTERNATIONAL EQUITIES		<u>15 846</u>	<u>15 239</u>	<u>100.0</u>
Less: Transaction costs		<u>(18)</u>	<u>—</u>	<u>—</u>
TOTAL INVESTMENTS		<u>\$ 15 828</u>	<u>15 239</u>	<u>100.0</u>
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>24</u>	<u>—</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 15 263</u>		<u>100.0</u>

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 15 239	\$ 11 740
Cash	180	44
Due from investment dealers	210	15
Dividends receivable, interest accrued and other assets	48	22
TOTAL ASSETS	15 677	11 821
LIABILITIES		
Due to investment dealers	111	15
Distributions payable	294	59
Accounts payable and accrued expenses	9	8
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	414	82
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 15 263	\$ 11 739
Investments at cost	\$ 15 828	\$ 10 696
NAV		
CAD UNITS	\$ 11 741	\$ 10 435
USD UNITS	\$ 3 522	\$ 1 304
NAV PER UNIT		
CAD UNITS	\$ 23.48	\$ 26.09
USD UNITS*	\$ 17.19	\$ 20.82

* Stated in U.S. dollars.

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 878	\$ 159
Income from investment trusts	25	—
Net realized gain (loss) on investments	(2 376)	425
Change in unrealized gain (loss) on investments	(1 633)	716
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(3 106)	1 300
Other income (loss)	(10)	—
Securities lending revenue		
(see note 8 in the generic notes)	2	—
Net gain (loss) on foreign cash balances	(45)	(46)
TOTAL OTHER INCOME (LOSS)	(53)	(46)
TOTAL INCOME (LOSS)	(3 159)	1 254
EXPENSES (see notes – ETF Specific Information)		
Management fees	145	38
GST/HST	20	6
Transaction costs	134	25
Withholding tax	104	21
TOTAL EXPENSES	403	90
INCREASE (DECREASE) IN NAV	\$ (3 562)	\$ 1 164
INCREASE (DECREASE) IN NAV		
CAD UNITS	\$ (3 229)	\$ 909
USD UNITS	\$ (333)	\$ 255
INCREASE (DECREASE) IN NAV PER UNIT		
CAD UNITS	\$ (4.20)	\$ 4.79
USD UNITS*	\$ (2.15)	\$ 3.93

* Stated in U.S. dollars.



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (3 562)	\$ 1 164
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	2 376	(425)
Change in unrealized loss (gain) on investments	1 633	(716)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	(26)	(11)
Increase (decrease) in accrued payables	1	4
Cost of investments purchased*	(62 132)	(11 275)
Proceeds from sale and maturity of investments*	62 162	11 324
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	452	65
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	452	166
Cash paid on redemption of redeemable units*	(386)	(102)
Distributions paid to holders of redeemable units	(382)	(93)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (316)	\$ (29)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	136	36
Cash (bank overdraft), beginning of period	44	8
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 180	\$ 44
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 25	\$ —
Dividends received, net of withholding taxes	\$ 748	\$ 129

* Excludes in-kind transactions.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	CAD Units		USD Units		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 10 435	\$ 3 214	\$ 1 304	\$ 1 071	\$ 11 739	\$ 4 285
INCREASE (DECREASE) IN NAV	(3 229)	909	(333)	255	(3 562)	1 164
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	32 332	16 311	11 566	—	43 898	16 311
Reinvestments of distributions to holders of redeemable units	—	252	—	32	—	284
Redemption of redeemable units	(27 286)	(9 899)	(8 909)	—	(36 195)	(9 899)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	5 046	6 664	2 657	32	7 703	6 696
Distributions from net income	(472)	(100)	(98)	(22)	(570)	(122)
Distributions from net gains	—	(252)	—	(32)	—	(284)
Distributions from capital	(39)	—	(8)	—	(47)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(511)	(352)	(106)	(54)	(617)	(406)
NET INCREASE (DECREASE) IN NAV	1 306	7 221	2 218	233	3 524	7 454
NAV AT END OF PERIOD	\$ 11 741	\$ 10 435	\$ 3 522	\$ 1 304	\$ 15 263	\$ 11 739

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with broad exposure to the performance of a diversified portfolio of high-quality emerging market equity securities that have the potential for long-term capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
International Equities		
Financials	23.3	23.6
Information Technology	13.5	28.5
Communication Services	12.8	7.2
Consumer Staples	8.1	6.9
Consumer Discretionary	8.1	7.0
Materials	7.5	6.6
Industrials	5.7	5.2
Energy	5.7	7.3
Real Estate	3.3	2.9
Health Care	2.4	2.5
Utilities	1.7	2.4
Underlying Funds	7.9	—
Other Net Assets	—	(0.1)
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
Hong Kong dollar	22.6	18.6
United States dollar	19.6	11.2
South Korean won	13.0	14.8
New Taiwan dollar	11.1	16.0
Brazilian real	7.6	7.7
South African rand	5.6	8.4
Mexican peso	3.6	4.5
Thailand baht	3.0	4.4
Malaysian ringgit	2.6	2.8
Indonesian rupiah	2.1	4.2
UAE dirham	1.4	0.8
Philippine peso	1.3	1.4
Chilean peso	1.0	1.7
Polish zloty	1.0	1.0
Qatari rial	1.0	0.8

Currency	December 31 2018	December 31 2017
Turkish new lira	0.9	0.3
Chinese renminbi	0.8	—
Hungarian forint	0.6	0.9
Colombian peso	0.4	0.8
Euro	0.3	—
Czech koruna	0.2	0.2
Total	99.7	100.5

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 35-month (December 31, 2017 – 23-month) historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI Emerging Markets Total Return		
Net Index (CAD)	+ or - 0.9	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	14 036	—	—	14 036
Underlying funds	1 203	—	—	1 203
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	15 239	—	—	15 239
% of total portfolio	100.0	—	—	100.0



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	11 740	–	–	11 740
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	11 740	–	–	11 740
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
CAD Units	0.64%
USD Units	0.64%

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the ETF's interest in the unsponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
iShares MSCI Emerging Markets Index Fund	7.9	–	–	–

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	1 529
Non-capital losses	–

Redeemable units (000s)

(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CAD Units		
Opening units	400	150
Issued number of units	1 200	650
Reinvested number of units	–	10
Units consolidated*	–	(10)
Redeemed number of units	(1 100)	(400)
Ending number of units	500	400

USD Units

Opening units	50	50
Issued number of units	450	–
Reinvested number of units	–	1
Units consolidated*	–	(1)
Redeemed number of units	(350)	–
Ending number of units	150	50

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	134	100	25	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements†	–	–	–	–

* See note 9 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	2 187	661
Fair value of collateral received	2 231	674



December 31, 2018

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	3	100	—	100
RBC IS (paid)	(1)	(25)	—	(27)
Tax withheld	—	(5)	—	(1)
ETF revenue	2	70	—	72

Investments by other related investment funds (%)
(see note 9 in the generic notes)

The table below summarizes, as a percentage, the NAV of the ETF owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Strategic Global Equity Leaders ETF	2.3	2.0



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC EMERGING MARKETS EQUITY INDEX ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
INTERNATIONAL EQUITIES				
Communication Services				
500	58.com Inc. ADR	\$ 48	\$ 37	
5 500	Advanced Info Service PCL, Subscription Receipts	40	40	
50 000	Alibaba Pictures Group Ltd.	10	12	
130 200	America Movil S.A.B. de C.V.	141	126	
13 000	Astro Malaysia Holdings Berhad	6	6	
300	Autohome Inc. ADR	33	32	
23 415	Axiata Group Berhad	34	30	
1 300	Baidu.com Inc. ADR	406	282	
12 000	China Communications Services Corp. Ltd.	8	14	
800	China Literature Ltd.	11	5	
25 600	China Mobile (Hong Kong) Ltd.	324	337	
70 000	China Telecom Corp. Ltd.	44	49	
176 000	China Tower Corp. Ltd.	38	45	
30 000	China Unicom Hong Kong Ltd.	51	44	
17 000	Chunghwa Telecom Co. Ltd.	78	85	
19 400	DiGi.Com Berhad	26	29	
8 802	Emirates Telecommunications Group Co. PJSC	50	56	
656	Empresa Nacional de Telecomunicaciones S.A.	10	7	
7 000	Far EasTone Telecommunications Co. Ltd.	22	24	
11 059	Global Telecom Holding SAE	6	3	
120	Globe Telecom Inc.	6	6	
11 400	Grupo TeleVisa S.A. USD	64	39	
1 124	Hellenic Telecommunications Organization S.A.	18	17	
8 700	Intouch Holdings PCL NVDR	19	17	
600	iQIYI Inc. ADR	20	12	
1 312	Magyar Tavkozlesi Rt	3	3	
14 700	Maxis Berhad	25	26	
1 800	Megacable Holdings S.A.B. de C.V.	10	11	
5 216	Mobile Telesystems PJSC	30	24	
400	Momo Inc. ADR	20	13	
8 992	MTN Group Ltd.	96	76	
2 035	Naspers Ltd.	563	559	
300	Netease.com ADR	115	96	
186	O2 Czech Republic A.S.	3	3	
394	Ooredoo Q.S.C.	12	11	
650	PLDT Inc.	24	19	
30 100	PT Media Nusantara Citra Tbk	4	2	
25 200	PT Surya Citra Media Tbk	5	4	
235 400	PT Telekomunikasi Indonesia Persero Tbk	95	84	
7 700	PT Tower Bersama Infrastructure Tbk	5	3	
13 300	PT XL Axiata Tbk	5	3	
4 163	Rostelecom PJSC	6	6	
300	SINA Corp.	37	22	

Holdings	Security	Cost	Fair Value	% of Net Assets
Communication Services (cont.)				
664	Sistema PJSC FC GDR	\$ 4	\$ 2	
300	Smiles Fidelidade S.A.	9	5	
7 000	Taiwan Mobile Co. Ltd.	32	33	
4 401	Telecom Egypt Co.	4	4	
2 200	Telefonica Brasil S.A. Preference	43	36	
5 100	Telekom Malaysia Berhad	10	4	
5 800	Telesites S.A.B. de C.V.	6	5	
1 426	Telkom SA Ltd.	8	9	
27 100	Tencent Holdings Ltd.	1 487	1 484	
3 400	TIM Participacoes S.A.	19	14	
3 200	Total Access Communication PCL NVDR	7	6	
42 700	True Corp PCL NVDR	10	9	
2 721	Turk Telekomunikasyon A.S.	5	3	
5 079	Turkcell Iletisim Hizmetleri A.S.	23	16	
3 080	Vodacom Group (Pty) Ltd.	44	39	
1 659	Vodafone Qatar QSC	4	5	
300	Weibo Corp. ADR	36	24	
200	YY Inc. ADR	24	16	
		4 346	4 033	14.6

Consumer Discretionary				
5 553	Abu Dhabi National Oil Co for Distribution PJSC	5	5	
5 700	Alibaba Group Holding Ltd. ADR	1 316	1 067	
1 100	Alpargatas S.A. Preference	5	7	
2 400	Alsea S.A.B. de C.V.	10	9	
6 000	ANTA Sports Products Ltd.	32	39	
880	Arcelik AS	6	4	
800	B2W Cia Digital	7	12	
6 500	BAIC Motor Corp Ltd.	7	5	
9 000	Bloomerry Resorts Corp.	2	2	
12 000	Brilliance China Automotive	41	12	
3 000	BYD Co. Ltd.	29	26	
8 000	Cheng Shin Rubber Industry Co. Ltd.	17	15	
13 000	China Dongxiang Group Co. Ltd.	3	3	
5 000	China Motor Corp.	5	5	
3 800	Chongqing Changan Automobile Co. Ltd.	6	2	
1 900	Ctrip.com International Ltd. ADR	111	70	
1 283	Curro Holdings Ltd.	4	3	
12 000	Dongfeng Motor Group Co. Ltd.	19	15	
16 252	DXB Entertainments PJSC	4	1	
1 000	Eclat Textile Co. Ltd.	12	15	
900	El Puerto de Liverpool S.A.B. de C.V.	10	8	
1 500	Estacio Participacoes S.A.	16	13	
308	Famous Brands Ltd.	3	3	
2 000	Feng TAY Enterprise Co. Ltd.	13	16	
147	FF Group	4	1	
275	Ford Otomotiv Sanayi A.S.	5	4	
5 000	Formosa Taffeta Co. Ltd.	6	8	
2 400	Fuyao Glass Industry Group Co. Ltd.	11	10	
24 000	Geely Automobile Holdings Ltd.	75	58	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Discretionary (cont.)				
10 000	Genting Berhad	\$ 29	\$ 20	
11 500	Genting Malaysia Berhad	19	11	
1 000	Giant Manufacturing Co. Ltd.	7	6	
55 000	GOME Electrical Appliances Holdings Ltd.	8	6	
14 500	Great Wall Motor Co. Ltd.	22	11	
1 003	Greek Organization of Football Prognostics S.A.	14	12	
1 200	Grendene S.A.	5	3	
14 000	Guangzhou Automobile Group Co. Ltd.	27	19	
100	Guararapes Confecoos S.A.	4	6	
5 000	Haier Electronics Group Co. Ltd.	15	17	
84 000	HengTen Networks Group Ltd.	4	3	
23 500	Home Product Center PCL NVDR	10	15	
500	Huazhu Group Ltd. ADR	41	20	
3 900	JD.com Inc. ADR	200	111	
1 900	Jiangling Motors Corp. Ltd.	3	3	
1 850	Jollibee Foods Corp.	11	14	
445	JUMBO S.A.	9	9	
7 900	Kroton Educacional S.A.	39	25	
800	Lao Feng Xiang Co. Ltd.	4	4	
6 500	Li Ning Co. Ltd.	7	10	
1 100	Lojas Americanas S.A.	5	6	
3 900	Lojas Americanas S.A. Preference	25	27	
3 600	Lojas Renner S.A.	47	54	
300	Magazine Luiza S.A.	11	19	
2 000	Meituan Dianping, Class S	22	15	
15 200	Minor International PCL NVDR	22	22	
670	Motus Holdings Ltd.	8	6	
1 308	Mr. Price Group Ltd.	25	31	
2 100	Nemak S.A.B. de C.V.	2	2	
700	New Oriental Education & Technology Group Inc. ADR	73	52	
4 615	Pepkor Holdings Ltd.	9	9	
1 500	Petrobras Distribuidora S.A.	12	14	
400	Pinduoduo Inc. ADR	10	12	
11 000	Pou Chen Corp.	17	16	
100 800	PT Astra International Tbk	74	79	
10 500	PT Matahari Department Store Tbk	10	6	
3 255	SACI Falabella	39	33	
600	Shanghai Jinjiang International Hotels Development Co. Ltd.	2	2	
3 000	Shenzhou International Group Holdings Ltd.	34	46	
1 508	Super Group Ltd.	6	5	
1 600	TAL Education Group ADR	67	58	
939	The Foschini Group Ltd.	13	15	
526	Tofas Turk Otomobil Fabrikasi A.S.	6	2	
1 809	Truworths International Ltd.	14	15	
2 222	Tsogo Sun Holdings Ltd.	4	5	
2 100	Via Varejo S.A.	5	3	
1 800	Vipshop Holdings Ltd. ADR	34	13	
1 500	Weifu High-Technology Group Co. Ltd.	4	4	
4 074	Woolworths Holdings Ltd.	23	21	
500	Wuxi Little Swan Co. Ltd.	4	3	
2 000	Xinhua Winshare Publishing and Media Co. Ltd.	2	2	

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Discretionary (cont.)				
4 000	Yulon Motor Co. Ltd.	\$ 4	\$ 3	
3 000	Zhongsheng Group Holdings Ltd.	8	8	
		2 903	2 371	8.6
Consumer Staples				
1 123	Almacenes Exito S.A.	8	6	
21 400	Ambev S.A.	171	116	
1 009	Anadolu Efes Biracilik Ve Malt Sanayii A.S.	7	5	
700	Anhui Gujing Distillery Co. Ltd.	4	5	
1 800	Arca Continental S.A.B. de C.V.	16	14	
1 500	Atacadao Distribuicao Comercio e Industria Ltda	9	10	
1 414	AVI Ltd.	13	14	
1 900	Becle S.A.B. de C.V.	4	3	
6 000	Berli Jucker PCL NVDR	12	13	
1 701	Bid Corp Ltd.	47	43	
1 184	BIM Biresik Magazalar A.S.	29	26	
2 300	BRF S.A.	28	18	
500	British American Tobacco (Malaysia) Berhad	6	6	
5 680	Cencosud S.A.	22	14	
15 400	Charoen Pokphand Foods PCL	15	16	
8 000	China Agri-Industries Holdings Ltd.	4	4	
8 000	China Resources Enterprise	33	38	
700	Cia Brasileira de Distribuicao Preference	19	20	
614	Cia Cervecerias Unidas S.A.	12	11	
1 040	Clicks Group Ltd.	15	19	
2 300	Coca-Cola Femsa S.A.B. de C.V.	22	19	
337	Coca-Cola Icecek A.S.	4	3	
4 000	Cofco International Ltd.	2	2	
26 000	CP ALL PCL	66	75	
10 500	Dali Foods Group Co. Ltd.	9	11	
1 476	Dis-Chem Pharmacies Ltd.	4	4	
4 410	Eastern Tobacco	9	5	
787	Embotelladora Andina S.A.	5	4	
10 200	FGV Holdings Berhad	6	2	
10 000	Fomento Economico Mexicano S.A. Series B	117	117	
880	Gruma S.A.B. de C.V.	16	14	
1 000	Grupo Comercial Chedraui S.A. de C.V.	3	3	
12 500	Grupo Industrial Bimbo S.A., Series A	37	34	
2 300	Grupo Lala S.A.B. de C.V.	5	3	
1 000	Health and Happiness H&H International Holdings Ltd.	8	8	
3 500	Hengan International Group Co. Ltd.	38	35	
800	Industrias Bachoco S.A.B. de C.V.	5	4	
17 000	IOI Corporation Berhad	23	25	
4 200	JBS S.A.	16	17	
3 700	Kimberly-Clark de Mexico S.A.	9	8	
2 100	Kuala Lumpur Kepong Berhad	15	17	
400	M Dias Branco S.A.	9	6	
1 364	Magnit PJSC GDR	67	24	
481	Massmart Holdings Ltd.	5	5	
900	Natura Cosmeticos S.A.	12	14	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Staples (cont.)				
300	Nestlé (Malaysia) Berhad	\$ 13	\$ 15	
478	Oceana Group Ltd.	4	3	
1 500	Organizacion Soriana S.A.B. de C.V.	5	3	
2 027	Pick n Pay Stores Ltd.	13	13	
585	Pioneer Foods Group Ltd.	6	5	
2 880	PPB Group Berhad	12	17	
3 000	President Chain Store Corp.	39	41	
1 400	PT Astra Agro Lestari Tbk	2	2	
39 000	PT Charoen Pokphand Indonesia Tbk	15	27	
2 000	PT Gudang Garam Tbk	13	16	
36 800	PT Hanjaya Mandala Sampoerna Tbk	13	13	
8 300	PT Indofood CBP Sukses Makmur Tbk	7	8	
18 500	PT Indofood Sukses Makmur Tbk	15	13	
6 100	PT Unilever Indonesia Tbk	27	26	
1 000	Raia Drogasil S.A.	32	20	
800	Sao Martinho S.A.	6	5	
1 800	Shanghai Bailian Group Co. Ltd.	3	2	
2 282	Shoprite Holdings Ltd.	44	41	
18 700	Sime Darby Plantation Berhad	8	29	
11 700	Thai Union Group PCL NVDR	9	8	
1 061	The SPAR Group Ltd.	18	21	
687	Tiger Brands Ltd.	24	18	
636	Tongaat Hulett Ltd.	7	3	
2 000	Tsingtao Brewery Co. Ltd.	10	11	
784	Ulker Biskuvu Sanayi A.S.	5	3	
21 000	Uni-President Enterprises Corp.	59	65	
3 860	Universal Robina Corp.	14	13	
25 600	Wal-Mart de Mexico S.A.B. de C.V.	76	89	
1 300	Yantai Changyu Pioneer Wine Co. Ltd.	4	3	
		1 489	1 393	5.0

Energy				
18 406	Banpu Public Company Ltd.	12	11	
94	Bashneft PJSC Preference	3	3	
20 000	Bukit Asam Tbk PT	4	8	
6 400	Bumi Armada Berhad	1	—	
8 000	China Coal Energy Co.	5	4	
8 000	China Oilfield Services Ltd.	8	9	
126 200	China Petroleum & Chemical Corp.	124	123	
17 000	China Shenhua Energy Co. Ltd. 'H'	51	51	
77 700	CNOOC Ltd.	128	164	
800	Cosan SA Industria e Comercio	13	9	
15 739	Dana Gas PJSC	4	6	
20 600	Dialog Group Berhad	23	21	
24 826	Ecopetrol S.A.	17	28	
2 490	Empresas COPEC S.A.	50	41	
6 976	Energy Absolute PCL NVDR	10	12	
1 399	Exxaro Resources Ltd.	17	18	
6 000	Formosa Petrochemical Corp.	29	29	
49 944	Gazprom PAO	136	150	
84	Gulf International Services Q.S.C.	1	1	
373	Hellenic Petroleum S.A.	4	4	
5 500	Inner Mongolia Yitai Coal Co. Ltd.	10	9	
34 766	IRPC PCL NVDR	8	8	

Holdings	Security	Cost	Fair Value	% of Net Assets
Energy (cont.)				
12 000	Kunlun Energy Co. Ltd.	\$ 14	\$ 17	
2 345	Lukoil PJSC	172	230	
1 900	MOL Hungarian Oil & Gas Plc.	28	28	
345	Motor Oil Hellas Corinth Refineries S.A.	10	11	
5 089	Novatek PJSC	82	113	
3 000	Oil & Gas Development Co. Ltd.	5	4	
2 645	Pakistan Petroleum Ltd.	6	4	
103 200	Petrochina Co.	86	88	
33 800	Petroleo Brasileiro S.A.	259	284	
23 700	Petron Corp.	5	5	
1 200	Petronas Dagangan Berhad	8	11	
58 500	PT Adaro Energy Tbk	10	7	
6 400	PT United Tractors Tbk	18	17	
7 122	PTT Exploration & Production PCL	27	34	
70 340	PTT PCL	116	136	
1 369	Qatar Gas Transport Co. Ltd.	8	9	
5 922	Rosneft Oil Co PJSC	42	50	
25 700	Sapura Energy Berhad	12	2	
53 113	Sapura Energy Berhad, Rights	—	—	
7 200	Semirara Mining & Power Corp.	8	4	
14 000	Sinopec Yizheng Chemical Fibre Co. Ltd.	3	1	
30 413	Surgutneftegas OJSC	19	16	
40 464	Surgutneftegas OJSC Preference	27	31	
7 109	Tatneft PJSC	73	103	
732	Tatneft PJSC Preference	5	7	
4 326	Thai Oil PCL	15	12	
7	Transneft PJSC Preference	27	23	
673	Tupras Türkiye Petrol Rafine	25	20	
2 200	Ultrapar Participacoes S.A.	61	41	
8 000	Yanzhou Coal Mining Co. Ltd.	10	9	
		1 839	2 026	7.3

Financials				
3 578	Absa Group Ltd.	48	55	
10 232	Abu Dhabi Commercial Bank PJSC	26	31	
153 000	Agricultural Bank of China Ltd.	89	92	
9 595	Akbank Turk A.S.	28	17	
4 637	Al Waha Capital PJSC	3	3	
5 200	Alliance Financial Group Berhad	7	7	
5 849	Alpha Bank AE	14	10	
8 900	AMMB Holdings Berhad	12	13	
1 290	Ayala Corp.	29	30	
9 800	B3 SA – Brasil Bolsa Balcao	91	93	
4 390	Banco Bradesco S.A.	60	52	
15 770	Banco Bradesco S.A. Preference	210	215	
1 000	Banco BTG Pactual S.A.	8	8	
146 620	Banco de Chile	30	29	
180	Banco de Credito e Inversiones	16	16	
3 200	Banco del Bajío S.A.	8	8	
5 200	Banco do Brasil S.A.	80	85	
1 100	Banco do Estado do Rio Grande do Sul S.A. Preference	6	9	
1 700	Banco Santander Brasil S.A.	24	26	
322 645	Banco Santander Chile	33	33	
7 160	Banco Santander Mexico S.A.	18	12	
1 168	Bancolombia S.A.	16	15	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
2 347	Bancolombia S.A. Preference	\$ 33	\$ 31	
2 000	Bangkok Bank PCL (Foreign)	14	17	
2 200	Bangkok Life Assurance PCL NVDR	4	2	
372 000	Bank of China Ltd.	230	219	
40 000	Bank of Communications Co. Ltd.	37	43	
8 242	Bank of Philippine Islands	20	20	
2 900	BB Seguridade Participacoes S.A.	35	28	
10 180	BDO Unibank Inc.	32	35	
1 573	Brait SE	8	4	
10 700	Capital Securities Corp.	5	4	
280	Capitec Bank Holdings Ltd.	24	30	
39 000	Cathay Financial Holding Co. Ltd.	84	81	
4 000	Central China Securities Co. Ltd.	2	1	
5 000	Chailease Holding Co. Ltd.	23	22	
26 000	Chang Hwa Commercial Bank Ltd.	18	20	
40 000	China Cinda Asset Management Co. Ltd.	18	13	
43 000	China Citic Bank	35	36	
424 700	China Construction Bank Corp.	453	479	
60 000	China Development Financial Holding Corp.	25	26	
9 000	China Everbright Bank Co. Ltd.	5	5	
4 000	China Everbright Ltd.	11	10	
17 500	China Galaxy Securities Co. Ltd.	19	11	
45 000	China Huarong Asset Management Co. Ltd.	26	11	
5 600	China International Capital Corp Ltd.	14	14	
47 600	China Life Insurance Co. Ltd.	143	120	
18 500	China Merchants Bank Co. Ltd.	85	93	
4 600	China Merchants Securities Co. Ltd.	9	8	
27 300	China Minsheng Banking Corp., Ltd.	28	26	
13 000	China Pacific Insurance Group Co. Ltd.	68	57	
28 000	China Reinsurance Group Corp.	8	8	
6 200	China Taiping Insurance Holdings Co. Ltd.	21	23	
90 000	Chinatrust Financial Holding Co.	76	81	
14 000	Chongqing Rural Commercial Bank Co. Ltd.	11	10	
10 000	CITIC Securities Co. Ltd.	26	24	
33 137	Commerce Asset Holdings Berhad	64	63	
5 547	Commercial International Bank Egypt SAE	30	31	
1 463	Coronation Fund Managers Ltd.	9	6	
548	Corp Financiera Colombiana S.A.	6	4	
330	Credicorp Ltd.	88	100	
4 500	CSC Financial Co. Ltd.	5	3	
1 512	Discovery Ltd.	20	23	
765	Doha Bank QSC	9	6	
8 360	Dubai Financial Market PJSC	3	2	
6 935	Dubai Islamic Bank PJSC	13	13	
44 573	E.Sun Financial Holding Co. Ltd.	34	40	
3 273	Egyptian Financial Group-Hermes Holding Co.	4	4	
8 895	Eurobank Ergasias S.A.	10	7	
2 600	Everbright Securities Co. Ltd.	4	3	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
10 000	Far East Horizon Ltd.	\$ 11	\$ 14	
14 081	Far Eastern International Bank	6	6	
13 604	First Abu Dhabi Bank PJSC	51	71	
41 410	First Financial Holding Co. Ltd.	34	37	
15 744	FirstRand Ltd.	84	98	
37 000	Fubon Financial Holding Co. Ltd.	78	77	
7 000	GF Securities Co. Ltd.	18	13	
16 965	Grupo Aval Acciones y Valores S.A. Preference	10	7	
1 071	Grupo de Inversiones Suramericana S.A.	19	14	
420	Grupo de Inversiones Suramericana S.A. Preference	7	5	
355	Grupo Elektra S.A. de C.V.	20	23	
13 300	Grupo Financiero Banorte S.A.B. de C.V.	104	88	
9 600	Grupo Financiero Inbursa S.A.B. de C.V.	21	19	
435	GT Capital Holdings Inc.	12	11	
4 200	Guotai Junan Securities Co. Ltd.	12	12	
3 200	Habib Bank Ltd.	6	4	
3 941	Haci Omer Sabanci Holding A.S.	14	8	
14 400	Haitong Securities Co. Ltd.	29	19	
2 700	Hong Leong Bank Berhad	13	18	
1 100	Hong Leong Financial Group Berhad	5	7	
36 575	Hua Nan Financial Holdings Co. Ltd.	25	28	
8 000	Huatai Securities Co. Ltd.	21	17	
371 300	Industrial & Commercial Bank of China	342	362	
1 176	Investec Ltd.	11	9	
700	IRB Brasil Resseguros S.A.	15	21	
697 201	Itau CorpBanca	8	9	
22 100	Itau Unibanco Holding S.A. Preference	291	276	
21 661	Itausa – Investimentos Itau S.A. Preference	98	92	
398	JSE Ltd.	6	6	
11 400	Kasikornbank PCL	93	89	
334	Komercni Banka A.S.	18	17	
32 700	Krung Thai Bank PCL NVDR	24	26	
565	Liberty Holdings Ltd.	5	6	
28 986	Malayan Banking Berhad	84	91	
1 935	Masraf Al Rayan	28	30	
48 000	Mega Financial Holding Co. Ltd.	49	55	
54 800	Metro Pacific Investments Corp.	9	7	
7 396	Metropolitan Bank & Trust Co.	15	16	
5 011	MMI Holdings Ltd.	9	8	
3 019	Moneta Money Bank A.S.	14	13	
6 017	Moscow Exchange MICEX-RTS PJSC	16	10	
2 286	National Bank of Greece S.A.	10	4	
1 892	Nedcor Limited	41	49	
3 700	New China Life Insurance Co. Ltd.	26	20	
24 481	Old Mutual Ltd.	64	52	
3 200	Orient Securities Co Ltd.	4	3	
1 146	OTP Bank Rt.	57	63	
35 000	PICC Property & Casualty Co. Ltd.	52	49	

The accompanying notes are an integral part of the financial statements.



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Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
23 500	Ping An Insurance Group Company of China Ltd.	\$ 245	\$ 283	
1 195	Piraeus Bank S.A.	6	2	
500	Porto Seguro S.A.	8	9	
25 000	Postal Savings Bank of China Co. Ltd.	18	18	
897	PSG Group Ltd.	19	21	
47 600	PT Bank Central Asia Tbk	93	118	
12 800	PT Bank Danamon Indonesia Tbk	7	9	
92 800	PT Bank Mandiri Persero Tbk	58	65	
38 800	PT Bank Negara Indonesia Persero Tbk	28	32	
262 500	PT Bank Rakyat Indonesia Tbk	79	91	
15 200	Public Bank Berhad	97	124	
191	Qatar International Islamic Bank Q.S.C.	4	5	
603	Qatar Islamic Bank SAQ	25	34	
2 180	Qatar National Bank SAQ	117	159	
3 327	Rand Merchant Investment Holdings Ltd.	12	12	
1 000	Regional S.A.B. de C.V.	7	6	
2 352	Remgro Ltd.	46	43	
5 500	RHB Bank Berhad	8	10	
2 829	RMB Holdings Ltd.	17	21	
8 741	Sanlam Ltd.	58	66	
208	Santam Ltd.	5	6	
48 776	Sberbank of Russia	202	178	
44 475	Shin Kong Financial Holding Co. Ltd.	19	18	
44 880	SinoPac Financial Holdings Co. Ltd.	18	21	
6 312	Standard Bank Group Ltd.	96	107	
1 100	Sul America S.A.	9	11	
42 817	Taishin Financial Holdings Co. Ltd.	24	25	
23 520	Taiwan Business Bank	9	11	
39 140	Taiwan Cooperative Financial Holding Co. Ltd.	27	31	
834	The Commercial Bank of Qatar QSC	8	12	
35 000	The People's Insurance Co. Group of China Ltd.	19	19	
12 000	The Siam Commercial Bank PCL	68	67	
86 600	TMB Bank PCL NVDR	8	8	
11 344	Türkiye Garanti Bankası A.S.	33	23	
2 872	Türkiye Halk Bankası A.S.	9	5	
6 548	Türkiye İş Bankası	13	8	
4 889	Türkiye Vakıflar Bankası T.A.O.	9	5	
21 330 000	VTB Bank PJSC	28	14	
6 569	Yapi ve Kredi Bankası A.S.	5	3	
49 000	Yuanta Financial Holding Co. Ltd.	27	34	
800	ZhongAn Online P&C Insurance Co. Ltd.	5	3	
		6 387	6 492	23.4
Health Care				
4 000	3SBio Inc.	8	7	
16 000	Alibaba Health Information Technology Ltd.	12	18	
1 598	Aspen Pharmacare Holdings Ltd.	46	20	
44 200	Bangkok Dusit Medical Services PCL	37	46	
200	BeiGene Ltd. ADR	39	38	

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care (cont.)				
1 500	Bumrungrad Hospital PCL	\$ 12	\$ 12	
5 000	China Medical System Holdings Ltd.	11	6	
700	China National Accord Medicines Corp. Ltd.	4	3	
8 000	China Resources Pharmaceutical Group Ltd.	12	14	
10 000	China Traditional Chinese Medicine Holdings Co. Ltd.	7	8	
22 000	CSPC Pharmaceutical Group Ltd.	46	43	
1 000	Fleury S.A.	11	7	
4 000	Genscript Biotech Corp.	18	7	
2 000	Guangzhou Baiyunshan Pharmaceutical Holdings Co. Ltd.	10	10	
600	Hapvida Participacoes e Investimentos S.A.	6	7	
6 600	Hartalega Holdings Berhad	14	13	
1 700	Hypermarcas S.A.	24	18	
14 800	IHH Healthcare Berhad	26	26	
5 850	Life Healthcare Group Holdings Ltd.	14	15	
650	Livzon Pharmaceutical Group Inc.	5	3	
8 000	Luye Pharma Group Ltd.	5	8	
6 199	Netcare Ltd.	14	16	
800	Notre Dame Intermedica Participacoes S.A.	8	8	
1 000	OBI Pharma Inc.	6	7	
1 300	Odontoprev S.A.	8	6	
94 000	PT Kalbe Farma Tbk	15	14	
1 200	Qualicorp S.A.	14	5	
768	Richter Gedeon Nyrt.	24	20	
8 000	Shandong Weigao Group Medical Polymer Co. Ltd.	7	9	
2 000	Shanghai Fosun Pharmaceutical Group Co. Ltd.	10	8	
5 400	Shanghai Haixin Group Co.	3	3	
3 900	Shanghai Pharmaceuticals Holding Co. Ltd.	12	11	
22 000	Sihuan Pharmaceutical Holdings Group Ltd.	10	5	
33 500	Sino Biopharmaceutical Ltd.	29	30	
4 400	Sinopharm Group Co.	25	25	
2 000	Wuxi Biologics Cayman Inc.	21	17	
		573	513	1.9
Industrials				
100	51job Inc. ADR	10	9	
3 064	Aeroflot – Russian Airlines OJSC	10	6	
11 765	Air Arabia PJSC	5	4	
8 000	Air China Ltd.	9	10	
7 300	AirAsia Berhad	7	7	
20 300	Airports of Thailand PCL	43	55	
1 500	ALEATICA S.A.B. de C.V.	3	3	
16 300	Alfa S.A.	27	26	
16 400	Alliance Global Group Inc.	6	5	
2 000	Anhui Expressway Co. Ltd.	2	2	
3 758	Arabtec Holding PJSC	3	3	
705	Aselsan Elektronik Sanayi Ve Ticaret A.S.	8	4	

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Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
10 000	AviChina Industry & Technology Co. Ltd.	\$ 7	\$ 9	
1 100	Azul S.A. Preference	12	14	
37 500	Bangkok Expressway & Metro PCL NVDR	11	15	
892	Barloworld Ltd.	10	10	
8 000	Beijing Capital International Airport Co. Ltd.	17	12	
1 749	Bidvest Group Ltd.	28	34	
32 200	BTS Group Holdings PCL	10	13	
3 000	CAR Inc.	3	3	
4 700	CCR S.A.	26	19	
12 000	China Airlines	6	6	
19 000	China Communications Construction Co. Ltd.	30	25	
7 000	China Conch Venture Holdings Ltd.	16	28	
11 500	China COSCO Holdings Co. Ltd.	9	6	
6 000	China Eastern Airlines Corp Ltd.	4	5	
15 074	China Everbright International Ltd.	21	18	
3 200	China International Marine Containers Group Co. Ltd.	6	4	
5 000	China Machinery Engineering Corp.	4	3	
6 395	China Merchants Port Holdings Co. Ltd.	21	16	
8 000	China Railway Construction Corp Ltd.	12	15	
16 000	China Railway Group Ltd.	16	20	
14 000	China Shipping Container Lines Co. Ltd.	4	2	
2 000	China Shipping Development Co. Ltd.	1	1	
8 000	China Southern Airlines Co. Ltd. 'H'	8	7	
6 000	China State Construction International Holdings Ltd.	10	7	
25 000	Citic Pacific Ltd.	47	54	
26 000	CITIC Resources Holdings Ltd.	4	3	
8 183	COSCO SHIPPING Ports Ltd.	11	11	
4 137	Country Garden Services Holdings Co. Ltd.	—	9	
17 000	CRRC Corp. Ltd.	18	23	
2 000	CSSC Offshore and Marine Engineering Group Co. Ltd.	5	2	
14 000	Dalian Port PDA Co. Ltd.	3	2	
4 000	Dazhong Transportation Group Co. Ltd.	4	2	
23 200	DMCI Holdings Inc.	9	8	
2 800	Dongfang Electric Corp Ltd.	3	2	
692	DP World Ltd.	21	16	
7 592	Dubai Investments PJSC	7	4	
3 560	ElSewedy Electric Co.	4	5	
3 100	Embraer S.A.	26	24	
1 652	ENKA Insaat ve Sanayi A.S.	3	2	
10 500	Eva Airways Corp.	6	7	
575	Eva Airways Corp., Rights	—	—	
9 988	Evergreen Marine Corp.	6	5	
17 000	Far Eastern Textile Co. Ltd.	18	21	
4 500	Foshan Electrical and Lighting Co. Ltd.	3	3	
9 500	Fosun International	22	19	
32 500	Fullshare Holdings Ltd.	16	10	

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
10 600	Gamuda Berhad	\$ 17	\$ 8	
2 500	GMexico Transportes S.A.B. de C.V.	5	4	
2 000	Grupo Aeroportuario del Centro Norte S.A.B. de C.V.	13	13	
1 500	Grupo Aeroportuario del Pacifico S.A.B. de C.V.	19	17	
860	Grupo Aeroportuario del Sureste S.A.B. de C.V.	21	18	
2 000	Grupo Carso S.A.	10	10	
8 000	Guangshen Railway	6	4	
3 000	Haitian International Holdings Ltd.	11	8	
2 500	HAP Seng Consolidated Berhad	7	8	
14 800	IJM Corp. Berhad	14	8	
670	Imperial Logistics Ltd.	13	4	
913	Industries Qatar Q.S.C.	36	46	
5 130	International Container Terminal Services Inc.	13	13	
6 000	Jiangsu Expressway Co. Ltd.	11	11	
5 500	Jinzhou Port Co. Ltd.	3	3	
12 379	KAP Industrial Holdings Ltd.	9	10	
3 600	KOC Holding A.S.	21	13	
1 307	Latam Airlines Group S.A.	24	18	
2 100	Localiza Rent a Car S.A.	20	22	
11 300	LT Group Inc.	5	5	
3 700	Malaysia Airports Holdings Berhad	10	10	
14 000	Metallurgical Corp of China Ltd.	6	5	
6 000	MISC Berhad	13	13	
4 900	MMC Corp. Berhad	3	1	
518	Mytilineos Holdings S.A.	8	6	
1 030	Promotora y Operadora de Infraestructura S.A.B. de C.V.	13	13	
13 500	PT Jasa Marga Persero Tbk	7	5	
297	Qatar Navigation QSC	7	7	
5 000	Qingdao Port International Co. Ltd.	5	5	
636	Reunert Ltd.	4	4	
4 800	Rumo S.A.	24	29	
12 000	Shanghai Electric Group Co. Ltd.	7	5	
2 000	Shanghai Industrial Holdings Limited	7	6	
2 500	Shanghai Jinjiang International Industrial Investment Co. Ltd.	3	3	
1 200	Shanghai Mechanical and Electrical Industry Co. Ltd.	3	3	
1 700	Shanghai Waigaoqiao Free Trade Zone Group Co. Ltd.	3	3	
7 200	Shanghai Zhenhua Heavy Industries Co. Ltd.	4	3	
4 000	Shenzhen Expressway Co. Ltd.	5	6	
4 244	Shenzhen International Holdings Ltd.	10	11	
6 000	Sichuan Expressway Co. Ltd.	3	3	
15 800	Sime Darby Berhad	42	13	
4 500	Sinopec Engineering Group Co. Ltd.	5	5	
8 000	Sinotrans Ltd.	5	5	
3 000	Sinotruk Hong Kong Ltd.	5	6	
2 430	SM Investments Corp.	50	58	
8 000	Taiwan Glass Industry Corp.	6	5	

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Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
10 000	Taiwan High Speed Rail Corp.	\$ 10	\$ 14	
1 000	Taiwan Secom Co. Ltd.	4	4	
764	TAV Havalimanlari Holding A.S.	4	5	
9 000	Teco Electric and Machinery Co. Ltd.	10	7	
806	Tekfen Holding A.S.	4	4	
6 100	Thai Airways International PCL NVDR	4	3	
6 000	Tianjin Capital Environmental Protection Group Co. Ltd.	4	3	
2 297	Turk Hava Yollari	8	10	
3 119	Turkiye Sise ve Cam Fabrikalari A.S.	4	5	
2 000	U-Ming Marine Transport Corp.	3	3	
15 000	Walsin Lihwa Corp.	10	11	
4 000	Wan Hai Lines Ltd.	3	3	
3 000	WEG S.A.	21	19	
8 000	Weichai Power Co. Ltd.	11	12	
4 100	Westports Holdings Berhad	5	5	
3 600	Xinjiang Goldwind Science & Technology Co. Ltd.	6	4	
10 100	Yangzijiang Shipbuilding Holdings Ltd.	13	13	
6 000	Zhejiang Expressway Co.	9	7	
2 100	Zhuzhou CRRC Times Electric Co. Ltd.	15	16	
6 800	Zoomlion Heavy Industry Science and Technology Co. Ltd.	4	3	
1 700	ZTO Express Cayman Inc. ADR	39	37	
		1 388	1 322	4.8

Information Technology

18 000	Acer Inc.	18	16	
2 000	Advantech Co. Ltd.	18	19	
15 000	ASE Technology Holding Co. Ltd.	49	39	
3 000	Asustek Computer Inc.	33	27	
36 000	AU Optronics Corp.	20	20	
6 200	BOE Technology Group Co. Ltd.	5	2	
3 500	BYD Electronic International Co. Ltd.	12	6	
4 000	Catcher Technology Co. Ltd.	53	40	
3 015	Chicony Electronics Co. Ltd.	9	8	
7 700	China Railway Signal & Communication Corp Ltd.	7	7	
4 800	Cielo S.A.	45	15	
17 000	Compal Electronics	14	13	
11 000	Delta Electronics Inc.	65	63	
2 200	Delta Electronics Thailand PCL NVDR	7	6	
5 000	Epistar Corp.	10	6	
5 000	Foxconn Technology Co. Ltd.	17	13	
62 000	GCL-Poly Energy Holdings Ltd.	11	5	
200	GDS Holdings Ltd., Class A ADR	9	6	
1 000	Globalwafers Co. Ltd.	21	12	
3 000	High Tech Computer Corp.	8	5	
56 600	Hon Hai Precision Industry Co. Ltd.	249	178	
35 000	InnoLux Display Corp.	19	15	
13 000	Inventec Corp.	12	13	
3 000	Kingboard Holdings Ltd.	21	11	
4 500	Kingboard Laminates Holdings Ltd.	10	5	
4 000	Kingsoft Corp Ltd.	13	8	

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology (cont.)				
1 000	Largan Precision Co. Ltd.	\$ 142	\$ 143	
1 900	Legend Holdings Corp.	7	7	
32 000	Lenovo Group Limited	22	30	
10 000	Lite-On Technology Corp.	16	18	
7 000	MediaTek Inc.	82	71	
9 500	Meitu Inc.	15	4	
3 000	Nanya Technology Corp.	9	7	
3 000	Novatek Microelectronics Corp.	17	19	
9 000	Pegatron Corp.	27	21	
11 000	Quanta Computer Inc.	28	26	
2 000	Realtek Semiconductor Corp.	9	13	
1 100	Shanghai Baosight Software Co. Ltd.	2	3	
3 300	Sunny Optical Technology Group Co. Ltd.	59	40	
6 000	Synnex Technology International Corp.	10	10	
114 000	Taiwan Semiconductor Manufacturing Co. Ltd.	1 153	1 142	
1 000	TPK Holding Co. Ltd.	3	2	
1 000	Transcend Information Inc.	3	3	
4 000	Travelsky Technology Ltd.	13	14	
6 000	Unimicron Technology Corp.	5	6	
51 000	United Microelectronics Corporation Ltd.	30	25	
4 000	Vanguard International Semiconductor Corp.	10	11	
2 000	Walsin Technology Corp.	20	14	
13 381	Wistron Corp.	13	11	
10 400	Xiaomi Corp.	29	23	
2 000	Yageo Corporation	43	28	
3 800	ZTE Corp.	14	10	
		2 536	2 259	8.2

Materials

442	AECI Ltd.	4	4	
411	African Rainbow Minerals Ltd.	5	6	
1 400	Alpek S.A.B. de C.V.	2	2	
13 061	Alrosa PAO	24	25	
16 000	Aluminum Corp of China Ltd.	16	7	
6 000	Angang Steel Co. Ltd.	7	6	
273	Anglo American Platinum Corp.	9	14	
2 106	AngloGold Ashanti Ltd.	27	36	
11 000	Asia Cement Corp.	13	17	
142	Assore Ltd.	4	4	
11 000	BBMG Corp.	7	5	
6 700	Bengang Steel Plates Co. Ltd.	3	2	
1 100	Bradespar S.A. Preference	14	12	
900	Braskem S.A. Preference	16	15	
927	Buenaventura S.A. ADR	15	21	
863	CEMEX Latam Holdings S.A.	4	1	
76 700	Cemex S.A.	76	50	
8 000	China BlueChemical Ltd.	3	3	
18 000	China Molybdenum Co. Ltd.	13	9	
16 250	China National Building Material Co. Ltd.	14	15	
10 000	China Resources Cement Holdings Ltd.	9	12	
53 000	China Steel Corp.	53	57	
6 800	China Zhongwang Holdings Ltd.	4	4	

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Holdings	Security	Cost	Fair Value	% of Net Assets
Materials (cont.)				
3 700	Cia Siderurgica Nacional S.A.	\$ 14	\$ 12	
6 000	Conch Cement Co. Ltd.	35	40	
5 980	CSG Holding Co. Ltd.	4	3	
4 759	Empresas CMPC S.A.	21	21	
6 098	Eregli Demir ve Celik Fabrikalari T.A.S.	17	11	
5 350	Eternal Materials Co. Ltd.	7	6	
6 000	Fauji Fertilizer Co. Ltd.	5	5	
2 000	Feng Hsin Steel Co. Ltd.	5	5	
1 000	Fibria Celulose S.A.	21	24	
15 000	Formosa Chemicals & Fibre Corp.	66	70	
24 000	Formosa Plastics Corp.	100	108	
5 400	Gerdau S.A. Preference	30	28	
3 415	Gold Fields Limited	18	16	
18 200	Grupo Mexico S.A.B. de C.V.	66	51	
1 708	Harmony Gold Mining Co. Ltd.	4	4	
3 227	Impala Platinum Holdings Ltd.	10	11	
7 500	Indorama Ventures PCL	12	17	
610	Industrias Penoles S.A.	20	10	
5 000	Jiangxi Copper Co. Ltd.	10	8	
3 300	Klabir S.A.	22	18	
236	Koza Altin Isletmeleri AS	2	3	
238	Kumba Iron Ore Ltd.	5	6	
6 000	Lee & Man Paper Manufacturing Ltd.	10	7	
8 000	Maanshan Iron & Steel Co. Ltd.	5	5	
10 028	Magnitogorsk Iron & Steel Works PJSC	10	8	
4 400	Mexichem S.A.B. de C.V.	14	15	
231	MMC Norilsk Nickel PJSC	53	59	
481	Mondi Ltd.	16	14	
2 963	Nampak Ltd.	6	4	
28 000	Nan Ya Plastic Corporation	91	94	
7 000	Nine Dragons Paper Holdings Ltd.	17	9	
1 602	Northam Platinum Ltd.	7	7	
3 649	Novolipetsk Steel PJSC	11	11	
447	Omnia Holdings Ltd.	6	4	
4 000	Oriental Union Chemical Corp.	5	5	
3 299	Petkim Petrokimya Holding A.S.	6	4	
13 000	Petronas Chemicals Group Berhad	29	40	
416	PhosAgro OAO GDR	8	7	
206	Polyus PJSC GDR	11	11	
10 400	Press Metal Aluminium Holdings Berhad	17	17	
11 800	PT Indah Kiat Pulp & Paper Corp. Tbk	19	13	
6 300	PT Indocement Tungal Prakarsa Tbk	11	11	
11 800	PT International Nickel Indonesia Tbk	3	4	
14 200	PT Semen Indonesia Persero Tbk	13	16	
10 600	PTT Global Chemical PCL	32	32	
2 369	Sappi Ltd.	19	18	
2 611	Sasol Ltd.	100	105	
866	Severstal PJSC	17	16	
4 200	Shandong Chenming Paper Holdings Ltd.	6	4	

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials (cont.)				
3 100	Shanghai Chlor-Alkali Chemical Co. Ltd.	\$ 3	\$ 3	
800	Shanghai Huayi Group Corp. Ltd.	1	1	
400	Siam City Cement PCL NVDR	4	3	
8 388	Sibanye Gold Ltd.	14	8	
12 000	Sinofert Holdings Ltd.	3	2	
14 000	Sinopec Shanghai Petrochemical Co.	10	8	
500	Sociedad Quimica y Minera de Chile S.A. Preference	35	27	
2 019	Soda Sanayii A.S.	3	4	
2 000	Suzano Papel e Celulose S.A.	16	27	
21 500	Taiwan Cement Corp.	32	34	
673	Taiwan Cement Corp., Rights	—	—	
4 000	Taiwan Fertilizer Co. Ltd.	7	8	
4 200	The Siam Cement PCL	77	77	
277	Titan Cement Co. S.A.	8	8	
2 170	Uralkali PJSC	5	4	
1 300	Usinas Siderurgicas de Minas Gerais S.A. Preference	6	4	
16 500	Vale S.A.	285	297	
3 500	Zhaojin Mining Industry Company Ltd.	4	5	
28 000	Zijin Mining Group Co. Ltd.	13	15	
		1 904	1 879	6.8

Real Estate				
6 000	Agile Group Holdings Ltd.	11	10	
19 046	Aldar Properties PJSC	15	11	
3 613	Attacq Ltd.	7	5	
35 700	Ayala Land Inc.	38	38	
946	Barwa Real Estate Co.	12	14	
8 000	Beijing North Star Co. Ltd.	3	3	
3 300	BR Malls Participacoes S.A.	16	15	
12 700	Central Pattana PCL, Subscription Receipts	35	40	
10 000	China Evergrande Group	42	41	
18 000	China Overseas Land & Investment Ltd.	79	84	
14 000	China Resources Land Ltd.	60	74	
10 000	China South City Holdings Ltd.	3	2	
5 600	China Vanke Co. Ltd.	25	26	
14 000	CIFI Holdings Group Co. Ltd.	18	10	
900	Concentradora Fibra Danhos S.A. de C.V. Real Estate Investment Trust	2	1	
37 000	Country Garden Holdings Co. Ltd.	80	62	
8 606	DAMAC Properties Dubai Co. PJSC	10	5	
3 598	Emaar Development PJSC	7	6	
10 318	Emaar Malls Group PJSC	8	7	
18 502	Emaar Properties PJSC	46	28	
9 688	Emlak Konut Gayrimenkul Yatirim Ortakligi A.S. Real Estate Investment Trust	8	4	
68	Ezdan Holding Group Q.S.C.	—	—	
12 900	Fibra Uno Administracion S.A. de C.V. Real Estate Investment Trust	27	20	
8 332	Fortress REIT Ltd. Real Estate Investment Trust	21	13	

The accompanying notes are an integral part of the financial statements.



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Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate (cont.)				
24 000	Franshion Properties China Ltd.	\$ 16	\$ 15	
8 000	Future Land Development Holdings Ltd.	8	7	
3 000	Greentown China Holdings Ltd.	5	3	
15 073	Growthpoint Properties Ltd. Real Estate Investment Trust	35	33	
26 000	Guangzhou Investment Co. Ltd.	7	7	
4 800	Guangzhou R&F Properties Co. Ltd.	14	10	
4 000	Hopson Development Holdings Ltd.	5	5	
1 173	Hyprop Investments Ltd. Real Estate Investment Trust	13	9	
10 100	IOI Properties Group Berhad	6	5	
4 000	Jiayuan International Group Ltd.	10	10	
1 500	KLCCP Stapled Group	4	4	
6 000	KWVG Group Holdings Ltd.	8	7	
31 400	Land & Houses PCL NVDR	13	13	
6 000	Landing International Development Ltd.	16	3	
4 000	Logan Property Holdings Co. Ltd.	6	7	
6 500	Longfor Group Holdings Ltd.	21	27	
351	MAS Real Estate Inc.	1	1	
76 300	Megaworld Corp.	9	9	
1 200	Multiplan Empreendimentos Imobiliarios S.A.	11	10	
1 445	NEPI Rockcastle Plc.	25	16	
2 913	Parque Arauco S.A.	12	9	
11 000	Poly Property Group Co. Ltd.	7	5	
29 600	PT Bumi Serpong Damai Tbk	5	4	
435	Red Star Macalline Group Corp. Ltd.	1	1	
22 288	Redefine Properties Ltd. Real Estate Investment Trust	22	20	
1 090	Resilient Ltd. Real Estate Investment Trust	13	6	
1 800	Shanghai Jinqiao Export Processing Zone Development Co. Ltd.	3	3	
4 500	Shanghai Lujiazui Finance & Trade Zone Development Co. Ltd.	9	8	
6 700	Shanghai Shibei Hi-Tech Co. Ltd.	3	4	
14 000	Shenzhen Investment Ltd.	8	6	
5 000	Shimao Property Holdings Ltd.	13	18	
15 800	Sime Darby Property Berhad	–	5	
13 500	Sino-Ocean Group Holding Ltd.	11	8	
41 600	SM Prime Holdings	35	39	
9 000	Soho China Ltd.	6	4	
10 000	Sunac China Holdings Ltd.	51	44	
4 842	Talaat Moustafa Group	3	4	
8 700	UEM Sunrise Berhad	3	2	
5 521	Union Properties PJSC	2	1	
875	United Development Co QSC	5	5	
3 669	Vukile Property Fund Ltd. Real Estate Investment Trust	8	7	
3 300	Yanlord Land Group Ltd	5	4	
		1 031	927	3.3

Holdings	Security	Cost	Fair Value	% of Net Assets
Underlying Funds				
945	Global X MSCI Pakistan Fund	\$ 17	\$ 10	
74 946	iShares MSCI India Fund	3 173	3 406	
		3 190	3 416	12.3
Utilities				
7 500	Aboitiz Power Corp.	7	7	
13 534	AES Gener S.A.	6	5	
13 587	Aguas Andinas S.A.	12	10	
12 000	Beijing Datang Power Generation Co. 'H' Ltd.	5	4	
2 500	Beijing Enterprises Holdings Ltd.	17	18	
18 000	Beijing Enterprises Water Group Ltd.	18	13	
12 000	Beijing Jingneng Clean Energy Co. Ltd.	4	4	
1 600	Centrais Eletricas Brasileiras S.A.	13	14	
1 200	Centrais Eletricas Brasileiras S.A. Preference	12	12	
838	CEZ A.S.	22	27	
46 000	CGN Power Co. Ltd.	16	15	
8 200	China Gas Holdings Ltd.	29	40	
14 000	China Longyuan Power Group Corp.	13	13	
18 000	China Power International Development Ltd.	7	6	
4 000	China Resources Gas Group Ltd.	19	22	
8 000	China Resources Power Holdings Co. Ltd.	18	21	
200	Cia de Gas de Sao Paulo – COMGAS Preference	4	4	
1 400	Cia de Saneamento Basico do Estado de Sao Paulo	19	16	
200	Cia de Transmissao de Energia Electrica Paulista	5	5	
5 000	Cia Energetica de Minas Gerais Preference	17	24	
35 196	Colbun S.A.	11	10	
500	Companhia Paranaense de Energia	5	5	
1 500	EDP – Energias do Brasil S.A.	8	8	
1 296	Electricity Generating PCL NVDR	11	13	
945	Energisa S.A.	12	12	
143 370	Enersis Americas S.A.	40	35	
129 490	Enersis Chile S.A.	18	17	
875	Engie Brasil Energia S.A.	10	10	
2 628	Engie Energia Chile S.A.	7	7	
3 700	ENN Energy Holdings Ltd.	33	45	
700	Equatorial Energia S.A.	19	18	
1 460 000	Federal Grid Co Unified Energy System PJSC	5	4	
2 000	Glow Energy PCL	6	7	
6 000	Guangdong Electric Power Development Co. Ltd.	3	3	
16 000	Guangdong Investments Ltd.	31	42	
1 500	Gulf Energy Development PCL	4	5	
7 700	Huadian Energy Co. Ltd.	3	3	
10 000	Huadian Fuxin Energy Corp Ltd.	3	3	
20 000	Huaneng Power International Inc. 'H'	16	17	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities (cont.)				
22 000	Huaneng Renewables Corp Ltd.	\$ 9	\$ 8	
3 000	Infraestructura Energetica Nova S.A.B. de C.V.	18	15	
201 000	Inter RAO UES PJSC	16	15	
1 954	Interconexion Electrica S.A. E.S.P.	12	11	
1 240	Manila Electric Co.	10	12	
42 500	Mosenergo PJSC	3	2	
44 900	Perusahaan Gas Negara PT	7	9	
4 100	Petronas Gas Berhad	23	26	
279	Qatar Electricity & Water Co. Q.S.C.	19	19	
3 800	Ratchaburi Electricity Generating Holding Public Co. Ltd. (Foreign)	8	8	
157 700	ROSSETI PJSC	3	2	
496 500	RusHydro PJSC	9	5	
10 000	Shandong International Power Development Co. Ltd.	5	6	
19 600	Tenaga Nasional Berhad	84	86	
900	Transmissora Alianca de Energia Eletrica S.A.	7	7	
53 700	Unipro PJSC	3	3	
21 892	YTL Corp. Berhad	9	7	
13 398	YTL Power International Berhad	5	4	
		758	789	2.8
TOTAL INTERNATIONAL EQUITIES		28 344	27 420	99.0
Less: Transaction costs		(29)	—	—
TOTAL INVESTMENTS		<u>\$ 28 315</u>	27 420	99.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			266	1.0
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$</u>	<u>27 686</u>	<u>100.0</u>

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 27 420	\$ 26 884
Cash	300	225
Due from investment dealers	125	1 761
Futures contract margin receivable	8	–
Dividends receivable, interest accrued and other assets	30	14
TOTAL ASSETS	27 883	28 884
LIABILITIES		
Distributions payable	191	1 873
Accounts payable and accrued expenses	6	7
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	197	1 880
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 27 686	\$ 27 004
Investments at cost	\$ 28 315	\$ 25 347
NAV PER UNIT	\$ 18.46	\$ 20.00

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 794	\$ 224
Income from investment trusts	55	–
Derivative income	(3)	–
Net realized gain (loss) on investments	167	207
Change in unrealized gain (loss) on investments	(2 432)	1 537
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(1 419)	1 968
Other income (loss)	14	–
Securities lending revenue (see note 8 in the generic notes)	9	3
Net gain (loss) on foreign cash balances	(68)	(33)
TOTAL OTHER INCOME (LOSS)	(45)	(30)
TOTAL INCOME (LOSS)	(1 464)	1 938
EXPENSES (see notes – ETF Specific Information)		
Management fees	68	20
GST/HST	10	4
Transaction costs	23	31
Withholding tax	90	31
Expenses reimbursed by manager	(18)	–
TOTAL EXPENSES	173	86
INCREASE (DECREASE) IN NAV	\$ (1 637)	\$ 1 852
INCREASE (DECREASE) IN NAV PER UNIT	\$ (1.17)	\$ 1.41



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 637)	\$ 1 852
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	1	3
Net realized loss (gain) on investments	(167)	(207)
Change in unrealized loss (gain) on investments	2 432	(1 537)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	(16)	(14)
Increase (decrease) in accrued payables	(1)	7
Increase (decrease) in margin accounts	(8)	—
Cost of investments purchased*	(15 793)	(31 048)
Proceeds from sale and maturity of investments*	14 628	4 147
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(561)	(26 797)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	9 808	27 025
Cash paid on redemption of redeemable units*	(6 836)	—
Distributions paid to holders of redeemable units	(2 335)	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 637	\$ 27 025
Net unrealized foreign exchange gain (loss) on cash	(1)	(3)
Net increase (decrease) in cash for the period	76	228
Cash (bank overdraft), beginning of period	225	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 300	\$ 225
Interest received (paid)	\$ —	\$ 1
Income received from investment trusts	\$ 55	\$ —
Dividends received, net of withholding taxes	\$ 688	\$ 176

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 27 004	\$ —
INCREASE (DECREASE) IN NAV	(1 637)	1 852
Early redemption fees	—	—
Proceeds from redeemable units issued	9 808	27 025
Reinvestments of distributions to holders of redeemable units	253	—
Redemption of redeemable units	(6 836)	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	3 225	27 025
Distributions from net income	(631)	(158)
Distributions from net gains	(253)	(72)
Distributions from capital	(22)	(1 643)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(906)	(1 873)
NET INCREASE (DECREASE) IN NAV	682	27 004
NAV AT END OF PERIOD	\$ 27 686	\$ 27 004

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to replicate, to the extent possible and before fees and expenses, the performance of a broad emerging markets equity index. Currently, the ETF seeks to track the FTSE Emerging Index (or any successor thereto).

The ETF was started August 9, 2017.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
International Equities		
Financials	23.4	18.6
Communication Services	14.6	4.4
Consumer Discretionary	8.6	7.0
Information Technology	8.2	10.1
Energy	7.3	5.8
Materials	6.8	4.3
Consumer Staples	5.0	4.1
Industrials	4.8	4.2
Real Estate	3.3	3.6
Utilities	2.8	2.2
Health Care	1.9	1.4
Underlying Funds	12.3	33.9
Other Net Assets	1.0	0.4
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Hong Kong dollar	24.7	28.1
United States dollar	24.6	46.2
New Taiwan dollar	12.8	—
Brazilian real	9.1	—
South African rand	7.6	9.7
Thailand baht	3.6	3.8
Mexican peso	3.4	4.0
Malaysian ringgit	3.3	3.3
Indonesian rupiah	2.6	2.6
Philippine peso	1.4	1.7
Chilean peso	1.3	1.6
Qatari rial	1.3	—
UAE dirham	0.9	0.9
Turkish new lira	0.8	1.4

Please see the generic notes at the back of the financial statements.

	December 31 2018	December 31 2017
Currency		
Colombian peso	0.4	0.6
Hungarian forint	0.4	0.4
Euro	0.3	0.4
Czech koruna	0.2	0.2
Egyptian pound	0.2	—
Singapore dollar	0.1	0.1
Pakistani rupee	0.1	—
Polish zloty	—	1.8
Total	99.1	106.8

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 15-month historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018
MSCI Emerging Markets Total Return	
Net Index (CAD)	+ or - 0.9

Due to the fact that the ETF was in existence for less than six months prior to December 31, 2017, no comparative disclosure is provided because there is insufficient data, and any resulting calculation of the impact on the NAV of the ETF using historical correlation between the ETF's return and a broad-based index could be materially misleading.

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	22 853	1 151	—	24 004
Underlying funds	3 416	—	—	3 416
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	26 269	1 151	—	27 420
% of total portfolio	95.8	4.2	—	100.0



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	16 647	1 078	—	17 725
Underlying funds	9 159	—	—	9 159
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	25 806	1 078	—	26 884
% of total portfolio	96.0	4.0	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at 0.25% annually, before GST/HST, of the daily NAV of the ETF.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the ETF as at:

	December 31 2018	December 31 2017
Units held		
RBC Emerging Markets Equity Index ETF	1 000 000	1 200 000
Value of all units	18 457	24 004

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the ETF's interest in the unsponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Global X MSCI Pakistan Fund	—	—	0.1	—
iShares MSCI Brazil Fund	—	—	8.3	—
iShares MSCI India Fund	12.3	0.1	11.6	—
iShares MSCI Qatar Fund	—	—	0.7	0.3
iShares MSCI Taiwan Fund	—	—	13.0	0.1
VanEck Vectors Egypt Index Fund	—	—	0.2	0.1

Please see the generic notes at the back of the financial statements.

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Opening units	1 350	—
Issued number of units	500	1 350
Reinvested number of units	14	—
Units consolidated*	(14)	—
Redeemed number of units	(350)	—
Ending number of units	1 500	1 350

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	23	100	31	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements [†]	—	—	—	—

* See note 9 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	4 925	5 794
Fair value of collateral received	5 024	5 910



December 31, 2018

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	12	100	4	100
RBC IS (paid)	(2)	(25)	(1)	(25)
Tax withheld	(1)	(5)	–	(1)
ETF revenue	9	70	3	74

Subsequent event

Effective on or about April 5, 2019, the ETF will be terminated. In advance of termination, the ETF will voluntarily delist from the Aequis NEO Exchange Inc., with its last day of trading expected to be on or about April 4, 2019.

The ETF has applied IFRS on a non-going concern basis for the year ended December 31, 2018. In this case, the non-going concern basis of preparation in accordance with IFRS does not result in any material adjustments to the carrying amounts of assets and liabilities of the ETF prepared on a going concern basis in accordance with IFRS.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC STRATEGIC GLOBAL DIVIDEND LEADERS ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
159 551	RBC Quant Canadian Dividend Leaders ETF*	\$ 3 157	\$ 2 902	
98 546	RBC Quant EAFE Dividend Leaders ETF*	2 374	2 174	
44 917	RBC Quant Emerging Markets Dividend Leaders ETF*	901	902	
94 265	RBC Quant U.S. Dividend Leaders ETF*	3 227	3 025	
TOTAL INVESTMENTS		\$ 9 659	9 003	99.6
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			38	0.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 9 041		100.0

* Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 9 003	\$ 7 260
Cash	27	18
Dividends receivable, interest accrued and other assets	55	18
TOTAL ASSETS	9 085	7 296
LIABILITIES		
Distributions payable	43	13
Accounts payable and accrued expenses	1	1
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	44	14
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 9 041	\$ 7 282
Investments at cost	\$ 9 659	\$ 6 835
NAV PER UNIT	\$ 22.60	\$ 24.27

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Income from investment trusts	\$ 617	\$ 287
Net realized gain (loss) on investments	57	22
Change in unrealized gain (loss) on investments	(1 081)	202
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(407)	511
Securities lending revenue (see note 8 in the generic notes)	2	2
TOTAL OTHER INCOME (LOSS)	2	2
TOTAL INCOME (LOSS)	(405)	513
EXPENSES (see notes – ETF Specific Information)		
Management fees	10	6
GST/HST	1	1
Transaction costs	1	–
TOTAL EXPENSES	12	7
INCREASE (DECREASE) IN NAV	\$ (417)	\$ 506
INCREASE (DECREASE) IN NAV PER UNIT	\$ (1.08)	\$ 2.30



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (417)	\$ 506
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	(57)	(22)
Change in unrealized loss (gain) on investments	1 081	(202)
Non-cash distributions from underlying funds	(311)	(132)
(Increase) decrease in accrued receivables	(37)	(12)
Increase (decrease) in accrued payables	—	1
Cost of investments purchased*	(793)	(326)
Proceeds from sale and maturity of investments*	748	328
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	214	141
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	54	11
Cash paid on redemption of redeemable units*	(4)	—
Distributions paid to holders of redeemable units	(255)	(139)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (205)	\$ (128)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	9	13
Cash (bank overdraft), beginning of period	18	5
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 27	\$ 18
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 580	\$ 143
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 7 282	\$ 3 417
INCREASE (DECREASE) IN NAV	(417)	506
Early redemption fees	—	—
Proceeds from redeemable units issued	2 461	3 504
Reinvestments of distributions to holders of redeemable units	378	155
Redemption of redeemable units	—	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	2 839	3 659
Distributions from net income	(285)	(160)
Distributions from net gains	(378)	(135)
Distributions from capital	—	(5)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(663)	(300)
NET INCREASE (DECREASE) IN NAV	1 759	3 865
NAV AT END OF PERIOD	\$ 9 041	\$ 7 282

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure, either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate, to the performance of a diversified portfolio of high-quality global dividend-paying equity securities that will provide regular income and that have the potential for long-term capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

The ETF invests primarily in other ETFs. The ETF's exposure to financial instrument risk is based on the underlying ETF asset mix. The following tables present the ETF's direct risks and pro rata exposure to the risks of the underlying ETFs.

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
International Equities		
Financials	28.5	29.2
Energy	12.0	13.1
Utilities	8.3	8.0
Communication Services	8.0	6.9
Industrials	7.9	7.5
Health Care	7.3	6.3
Consumer Staples	5.7	6.2
Information Technology	5.5	6.8
Real Estate	5.5	5.1
Consumer Discretionary	5.2	5.1
Materials	5.2	4.3
Underlying Funds	0.2	0.8
Other Net Assets	0.7	0.7
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	33.8	36.5
Euro	6.7	6.3
Japanese yen	4.7	4.6
Australian dollar	3.3	2.6
Pound sterling	3.0	2.8
Hong Kong dollar	2.8	2.2
Swiss franc	2.2	1.5
Indian rupee	1.4	1.3

	December 31 2018	December 31 2017
Currency		
New Taiwan dollar	1.2	1.2
Danish krone	1.1	0.8
South African rand	1.0	1.2
Swedish krona	0.9	0.8
South Korean won	0.7	0.9
Singapore dollar	0.7	0.5
Brazilian real	0.6	–
Norwegian krone	0.4	0.6
Indonesian rupiah	0.4	0.6
Thailand baht	0.3	0.5
Other currencies	2.4	2.8
Total	67.6	67.7

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 3.4% (December 31, 2017 – 3.4%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 35-month (December 31, 2017 – 23-month) historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI EAFE Total Return Net Index (CAD)	+ or - 0.6	+ or - 0.5

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	9 003	–	–	9 003
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	9 003	–	–	9 003
% of total portfolio	100.0	–	–	100.0

Please see the generic notes at the back of the financial statements.



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	7 260	—	—	7 260
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	7 260	—	—	7 260
% of total portfolio	100.0	—	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is the manager, trustee and portfolio manager of the ETF. A management fee is charged indirectly and directly to the ETF: indirectly as this ETF invests in the units of other RBC ETFs and the other RBC ETFs pay management fees; and directly for other portfolio manager activities. The total management fee will not exceed 0.55%, before GST/HST, of the daily NAV of the ETF.

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the ETF's interest in the sponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Quant Canadian Dividend Leaders ETF	32.1	2.6	32.1	1.7
RBC Quant EAFE Dividend Leaders ETF	24.0	0.6	22.4	0.3
RBC Quant Emerging Markets Dividend Leaders ETF	10.0	1.6	9.6	1.5
RBC Quant U.S. Dividend Leaders ETF	33.5	0.7	35.6	0.6

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

Please see the generic notes at the back of the financial statements.

Redeemable units (000s)

(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Opening units	300	150
Issued number of units	100	150
Reinvested number of units	17	6
Units consolidated*	(17)	(6)
Redeemed number of units	—	—
Ending number of units	400	300

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	1	100	—	—
Related-party brokerage commissions*	1	100	—	—
Commission arrangements [†]	—	—	—	—

* See note 9 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	286	2
Fair value of collateral received	291	2

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	2	100	3	100
RBC IS (paid)	—	(25)	(1)	(30)
Tax withheld	—	—	—	—
ETF revenue	2	75	2	70



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC STRATEGIC GLOBAL EQUITY LEADERS ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
59 596	RBC Quant Canadian Equity Leaders ETF*	\$ 1 158	\$ 1 143	
40 681	RBC Quant EAFE Equity Leaders ETF*	908	833	
14 780	RBC Quant Emerging Markets Equity Leaders ETF*	361	347	
45 991	RBC Quant U.S. Equity Leaders ETF*	1 292	1 207	
TOTAL INVESTMENTS		\$ 3 719	3 530	99.5
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			17	0.5
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 3 547		100.0

* Investment in related party (see note 9 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

	December 31 2018	December 31 2017
(see note 2 in the generic notes)		
ASSETS		
Investments at fair value	\$ 3 530	\$ 2 522
Cash	9	6
Dividends receivable, interest accrued and other assets	30	11
TOTAL ASSETS	3 569	2 539
LIABILITIES		
Distributions payable	22	15
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	22	15
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 3 547	\$ 2 524
Investments at cost	\$ 3 719	\$ 2 215
NAV PER UNIT	\$ 23.65	\$ 25.24

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Income from investment trusts	\$ 303	\$ 108
Net realized gain (loss) on investments	36	123
Change in unrealized gain (loss) on investments	(496)	72
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(157)	303
Securities lending revenue (see note 8 in the generic notes)	—	1
TOTAL OTHER INCOME (LOSS)	—	1
TOTAL INCOME (LOSS)	(157)	304
EXPENSES (see notes – ETF Specific Information)		
Management fees	4	3
GST/HST	1	—
TOTAL EXPENSES	5	3
INCREASE (DECREASE) IN NAV	\$ (162)	\$ 301
INCREASE (DECREASE) IN NAV PER UNIT	\$ (1.14)	\$ 3.01



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (162)	\$ 301
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	(36)	(123)
Change in unrealized loss (gain) on investments	496	(72)
Non-cash distributions from underlying funds	(221)	(63)
(Increase) decrease in accrued receivables	(19)	(1)
Increase (decrease) in accrued payables	—	—
Cost of investments purchased*	(301)	(137)
Proceeds from sale and maturity of investments*	313	142
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	70	47
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	3	3
Cash paid on redemption of redeemable units*	—	(3)
Distributions paid to holders of redeemable units	(70)	(47)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (67)	\$ (47)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	3	—
Cash (bank overdraft), beginning of period	6	6
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 9	\$ 6
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 284	\$ 44
Dividends received, net of withholding taxes	\$ —	\$ —

* Excludes in-kind transactions.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Total	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 2 524	\$ 2 275
INCREASE (DECREASE) IN NAV	(162)	301
Early redemption fees	—	—
Proceeds from redeemable units issued	1 262	1 184
Reinvestments of distributions to holders of redeemable units	258	177
Redemption of redeemable units	—	(1 184)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 520	177
Distributions from net income	(75)	(38)
Distributions from net gains	(258)	(191)
Distributions from capital	(2)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(335)	(229)
NET INCREASE (DECREASE) IN NAV	1 023	249
NAV AT END OF PERIOD	\$ 3 547	\$ 2 524

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with broad exposure, either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate, to the performance of a diversified portfolio of high-quality global equity securities that have the potential for long-term capital growth.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

The ETF invests primarily in other ETFs. The ETF's exposure to financial instrument risk is based on the underlying ETF asset mix. The following tables present the ETF's direct risks and pro rata exposure to the risks of the underlying ETFs.

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
International Equities		
Financials	21.0	23.0
Information Technology	12.2	14.3
Industrials	10.1	10.8
Energy	9.0	8.9
Health Care	8.8	7.3
Consumer Discretionary	8.3	9.9
Communication Services	7.4	3.2
Materials	7.2	7.6
Consumer Staples	6.5	6.7
Utilities	3.8	4.7
Real Estate	3.3	3.4
Underlying Funds	1.8	—
Other Net Assets	0.6	0.2
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	37.1	36.9
Euro	7.1	7.1
Japanese yen	5.5	5.5
Pound sterling	3.3	3.7
Hong Kong dollar	3.1	2.3
Swiss franc	1.9	1.7

Currency	December 31 2018	December 31 2017
Australian dollar	1.8	1.9
South Korean won	1.3	1.4
New Taiwan dollar	1.1	1.5
Brazilian real	0.7	0.7
Swedish krona	0.6	1.0
South African rand	0.5	0.8
Other currencies	3.1	3.3
Total	67.1	67.8

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 3.4% (December 31, 2017 – 3.4%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 35-month (December 31, 2017 – 23-month) historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI EAFE Total Return Net Index (CAD)	+ or - 0.7	+ or - 0.6

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	3 530	—	—	3 530
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	3 530	—	—	3 530
% of total portfolio	100.0	—	—	100.0



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	2 522	—	—	2 522
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	2 522	—	—	2 522
% of total portfolio	100.0	—	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees (see note 9 in the generic notes)

RBC GAM is the manager, trustee and portfolio manager of the ETF. A management fee is charged indirectly and directly to the ETF: indirectly as this ETF invests in the units of other RBC ETFs and the other RBC ETFs pay management fees; and directly for other portfolio manager activities. The total management fee will not exceed 0.55%, before GST/HST, of the daily NAV of the ETF.

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the ETF's interest in the sponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Quant Canadian Equity Leaders ETF	32.2	8.5	32.3	5.8
RBC Quant EAFE Equity Leaders ETF	23.5	3.4	22.6	1.9
RBC Quant Emerging Markets Equity Leaders ETF	9.8	2.3	9.4	2.0
RBC Quant U.S. Equity Leaders ETF	34.0	4.2	35.5	2.6

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

(see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Opening units	100	100
Issued number of units	50	50
Reinvested number of units	11	7
Units consolidated*	(11)	(7)
Redeemed number of units	—	(50)
Ending number of units	150	100

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	635	—
Fair value of collateral received	648	—

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	—	100	1	100
RBC IS (paid)	—	(25)	—	(27)
Tax withheld	—	—	—	—
ETF revenue	—	75	1	73



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC QUANT GLOBAL INFRASTRUCTURE LEADERS ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Communication Services				
51 600	Advanced Info Service PCL, Subscription Receipts	\$ 363	\$ 373	
13 348	AT&T Inc.	548	520	
154 933	Bezeq Israeli Telecommunication Corporation Ltd.	306	207	
1 500	China Mobile (Hong Kong) Ltd.	18	20	
13 836	Deutsche Telekom AG	310	320	
10 900	DiGi.Com Berhad	16	16	
15 700	Nippon Telegraph & Telephone Corp.	844	876	
2 231	Proximus	95	82	
634	SK Telecom Co. Ltd.	176	209	
29 757	Telenor ASA	669	786	
131 035	Telkom SA Ltd.	627	787	
71 505	Telstra Corp. Ltd.	198	196	
11 288	Turkcell Iletisim Hizmetleri A.S.	33	35	
18 606	Verizon Communications Inc.	1 118	1 429	
		5 321	5 856	29.7
Energy				
16 501	Enagas	600	608	
9 200	Enbridge Inc.	407	390	
22 900	Gibson Energy Inc.	508	428	
41 900	Inter Pipeline Ltd.	941	810	
29 400	Kinder Morgan Canada Ltd.	463	468	
12 315	ONEOK, Inc.	1 045	907	
2 800	Pembina Pipeline Corp.	113	113	
		4 077	3 724	18.9
Industrials				
280 790	Daqin Railway Co. Ltd.	477	460	
		477	460	2.3
Utilities				
40 557	AGL Energy Ltd.	808	803	
25 155	Centerpoint Energy Inc.	916	970	
305 027	Centrica Plc.	983	716	
137 868	China Yangtze Power Co. Ltd.	381	436	
36 700	Chubu Electric Power Co. Inc.	722	714	
65 100	Cia de Saneamento Basico do Estado de Sao Paulo	679	723	
1 007	Edison International	69	78	
17 000	Electric Power Development Co. Ltd.	618	551	
6 842	Entergy Corp.	695	805	
8 555	Fortum OYJ	265	256	
2 246	Gas Natural SDG S.A.	78	78	
35 900	Kansai Electric Power Co. Inc.	589	738	
35 800	Northland Power Inc.	759	777	
16 819	OGE Energy Corp.	822	900	

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities (cont.)				
4 231	Southern Co.	\$ 262	\$ 254	
69 800	Superior Plus Corp.	882	676	
44 400	TransAlta Renewables Inc.	503	460	
		10 031	9 935	50.5
TOTAL GLOBAL EQUITIES				
		19 906	19 975	101.4
Less: Transaction costs				
		(19)	—	—
TOTAL INVESTMENTS				
		\$ 19 887	19 975	101.4
OTHER NET ASSETS ATTRIBUTABLE TO				
HOLDERS OF REDEEMABLE UNITS				
			(287)	(1.4)
NET ASSETS ATTRIBUTABLE TO				
HOLDERS OF REDEEMABLE UNITS				
		\$ 19 688	100.0	

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 19 975	\$ 21 395
Cash	137	49
Due from investment dealers	–	20
Dividends receivable, interest accrued and other assets	26	41
TOTAL ASSETS	20 138	21 505
LIABILITIES		
Due to investment dealers	309	–
Distributions payable	131	61
Accounts payable and accrued expenses	10	12
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	450	73
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 19 688	\$ 21 432
Investments at cost	\$ 19 887	\$ 22 786
NAV		
CAD UNITS	\$ 17 719	\$ 18 510
USD UNITS	\$ 1 969	\$ 2 922
NAV PER UNIT		
CAD UNITS	\$ 19.69	\$ 19.48
USD UNITS*	\$ 14.41	\$ 15.55

* Stated in U.S. dollars.

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 1 014	\$ 961
Income from investment trusts	53	–
Net realized gain (loss) on investments	(1 200)	279
Change in unrealized gain (loss) on investments	1 479	(1 631)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	1 346	(391)
Other income (loss)	(1)	–
Securities lending revenue		
(see note 8 in the generic notes)	6	5
Net gain (loss) on foreign cash balances	(38)	(29)
TOTAL OTHER INCOME (LOSS)	(33)	(24)
TOTAL INCOME (LOSS)	1 313	(415)
EXPENSES (see notes – ETF Specific Information)		
Management fees	117	110
GST/HST	11	8
Transaction costs	42	67
Withholding tax	115	114
TOTAL EXPENSES	285	299
INCREASE (DECREASE) IN NAV	\$ 1 028	\$ (714)
INCREASE (DECREASE) IN NAV		
CAD UNITS	\$ 913	\$ (643)
USD UNITS	\$ 115	\$ (71)
INCREASE (DECREASE) IN NAV PER UNIT		
CAD UNITS	\$ 0.96	\$ (0.72)
USD UNITS*	\$ 0.57	\$ (0.75)

* Stated in U.S. dollars.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 1 028	\$ (714)
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	1 200	(279)
Change in unrealized loss (gain) on investments	(1 479)	1 631
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	15	(27)
Increase (decrease) in accrued payables	(2)	7
Cost of investments purchased*	(31 221)	(49 534)
Proceeds from sale and maturity of investments*	31 388	49 470
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	929	554
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	97	210
Cash paid on redemption of redeemable units*	(184)	(76)
Distributions paid to holders of redeemable units	(754)	(666)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (841)	\$ (532)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	88	22
Cash (bank overdraft), beginning of period	49	27
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 137	\$ 49
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 53	\$ —
Dividends received, net of withholding taxes	\$ 914	\$ 821

* Excludes in-kind transactions.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	CAD Units		USD Units		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 18 510	\$ 8 074	\$ 2 922	\$ 1 009	\$ 21 432	\$ 9 083
INCREASE (DECREASE) IN NAV	913	(643)	115	(71)	1 028	(714)
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	6 721	20 750	2 887	3 066	9 608	23 816
Reinvestments of distributions to holders of redeemable units	—	294	—	46	—	340
Redemption of redeemable units	(7 713)	(9 043)	(3 843)	(1 012)	(11 556)	(10 055)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(992)	12 001	(956)	2 100	(1 948)	14 101
Distributions from net income	(712)	(628)	(112)	(70)	(824)	(698)
Distributions from net gains	—	(294)	—	(46)	—	(340)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(712)	(922)	(112)	(116)	(824)	(1 038)
NET INCREASE (DECREASE) IN NAV	(791)	10 436	(953)	1 913	(1 744)	12 349
NAV AT END OF PERIOD	\$ 17 719	\$ 18 510	\$ 1 969	\$ 2 922	\$ 19 688	\$ 21 432

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure to the performance of a diversified global portfolio of high-quality equity securities of companies that own or operate infrastructure assets that will provide regular income and that have the potential for long-term capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Global Equities		
Utilities	50.5	52.3
Communication Services	29.7	32.4
Energy	18.9	5.8
Industrials	2.3	4.6
Consumer Discretionary	–	4.7
Other Net Assets	(1.4)	0.2
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	29.8	34.4
Japanese yen	14.6	8.2
Euro	6.8	10.9
Australian dollar	5.1	0.6
Chinese renminbi	4.6	–
Norwegian krone	4.0	3.9
South African rand	4.0	2.7
Brazilian real	3.7	7.1
Pound sterling	3.6	3.4
Thailand baht	1.9	–
South Korean won	1.1	3.1
Israeli new shekel	1.1	3.5
Turkish new lira	0.2	4.1
Hong Kong dollar	0.1	–
Malaysian ringgit	0.1	–
New Zealand dollar	–	2.6
Total	80.7	84.5

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 4.0% (December 31, 2017 – 4.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 27-month (December 31, 2017 – 15-month) historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 0.4	+ or - 0.8

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	19 975	–	–	19 975
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	19 975	–	–	19 975
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	21 390	–	–	21 390
Underlying funds	5	–	–	5
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	21 395	–	–	21 395
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
CAD Units	0.55%
USD Units	0.55%

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the ETF's interest in the unsponsored funds as a percentage of NAV, and the ETF's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
iShares Global Infrastructure Fund	—	—	—	—

Taxes (\$000s) (see note 7 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the ETF were approximately:

Capital losses	1 255
Non-capital losses	—

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
CAD Units		
Opening units	950	400
Issued number of units	350	1 000
Reinvested number of units	—	15
Units consolidated*	—	(15)
Redeemed number of units	(400)	(450)
Ending number of units	900	950

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
USD Units		
Opening units	150	50
Issued number of units	150	150
Reinvested number of units	—	2
Units consolidated*	—	(2)
Redeemed number of units	(200)	(50)
Ending number of units	100	150

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	42	100	67	100
Related-party brokerage commissions*	1	2	1	1
Commission arrangements [†]	1	2	—	—

* See note 9 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	1 517	2 249
Fair value of collateral received	1 547	2 294

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	7	100	7	100
RBC IS (paid)	(1)	(25)	(2)	(26)
Tax withheld	—	(2)	—	(1)
ETF revenue	6	73	5	73



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC QUANT GLOBAL REAL ESTATE LEADERS ETF

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
Real Estate				
6 579	Apple Hospitality Inc.			
	Real Estate Investment Trust	\$ 155	\$ 128	
3 389	Brandywine Realty Trust	71	60	
3 311	British Land Company Plc.			
	Real Estate Investment Trust	35	31	
2 901	Brixmor Property Group Inc.			
	Real Estate Investment Trust	61	58	
12 400	China Fortune Land			
	Development Co. Ltd.	55	63	
4 000	CIFI Holdings Group Co. Ltd.	2	3	
3 500	CK Asset Holdings Ltd.	32	35	
617	Covivio Real Estate Investment Trust	82	81	
2 900	Dream Global Real Estate			
	Investment Trust	40	35	
45 300	Fibra Uno Administracion S.A. de C.V.			
	Real Estate Investment Trust	83	69	
14 000	Future Land Development			
	Holdings Ltd.	14	13	
9 800	Gemdale Corp.	18	19	
10 452	Growthpoint Properties Ltd.			
	Real Estate Investment Trust	26	23	
3 233	Hammerson Plc. Real Estate			
	Investment Trust	29	19	
4 078	Hospitality Properties Trust	146	133	
6 322	Host Marriott Corp.	162	144	
570	Hudson Pacific Properties Inc.			
	Real Estate Investment Trust	25	23	
5 192	Hyprop Investments Ltd.			
	Real Estate Investment Trust	56	40	
26 500	Kerry Properties Ltd.	146	124	
1 368	Kimco Realty Corp.	26	27	
549	Life Storage Inc. Real Estate			
	Investment Trust	70	70	
6 647	Medical Properties Trust Inc.			
	Real Estate Investment Trust	132	146	
70 089	Mirvac Group Real Estate			
	Investment Trust	159	151	
6 132	Nomura Real Estate Holdings Inc.	175	154	
3 188	Omega Healthcare Investors Inc.			
	Real Estate Investment Trust	150	153	
3 603	Park Hotels & Resorts Inc.			
	Real Estate Investment Trust	141	128	
14 600	Poly Real Estate Group Co. Ltd.	31	34	
42	Public Storage Inc.			
	Real Estate Investment Trust	12	12	
5 221	RioCan Real Estate Investment Trust	125	124	

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate (cont.)				
37 946	Shimao Property Holdings Ltd.	\$ 110	\$ 138	
749	Simon Property Group Inc.	158	172	
192 243	Sino-Ocean Group Holding Ltd.	153	116	
1 198	SL Green Realty Corp.			
	Real Estate Investment Trust	154	129	
3 209	SmartCentres Real Estate			
	Investment Trust	96	99	
2 600	Spirit Realty Capital Inc.			
	Real Estate Investment Trust	143	125	
43 096	Stockland Real Estate			
	Investment Trust	188	146	
8 499	Sun Hung Kai Properties Ltd.	177	165	
21 000	The Wharf Holdings Ltd.	79	74	
19	United Urban Investment Corp.			
	Real Estate Investment Trust	39	40	
54 646	Vicinity Centres Real Estate			
	Investment Trust	148	137	
611	Weingarten Real Estate			
	Investment Trust	22	21	
187 000	Yuzhou Properties Co. Ltd.	104	104	
		<u>3 830</u>	<u>3 566</u>	<u>99.4</u>
TOTAL EQUITIES		<u>3 830</u>	<u>3 566</u>	<u>99.4</u>
Less: Transaction costs		(3)	—	—
TOTAL INVESTMENTS		<u>\$ 3 827</u>	<u>3 566</u>	<u>99.4</u>
OTHER NET ASSETS ATTRIBUTABLE TO				
HOLDERS OF REDEEMABLE UNITS				<u>23</u>
NET ASSETS ATTRIBUTABLE TO				
HOLDERS OF REDEEMABLE UNITS				<u>\$ 3 589</u>
				<u>100.0</u>

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 3 566	\$ 8 650
Cash	72	16
Due from investment dealers	—	9
Dividends receivable, interest accrued and other assets	24	54
TOTAL ASSETS	3 662	8 729
LIABILITIES		
Distributions payable	70	21
Accounts payable and accrued expenses	3	4
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	73	25
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 3 589	\$ 8 704
Investments at cost	\$ 3 827	\$ 8 493
NAV		
CAD UNITS	\$ 2 692	\$ 5 803
USD UNITS	\$ 897	\$ 2 901
NAV PER UNIT		
CAD UNITS	\$ 17.95	\$ 19.34
USD UNITS*	\$ 13.14	\$ 15.44

* Stated in U.S. dollars.

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 87	\$ 42
Income from investment trusts	270	189
Net realized gain (loss) on investments	156	(179)
Change in unrealized gain (loss) on investments	(418)	157
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	95	209
Other income (loss)	(1)	7
Securities lending revenue		
(see note 8 in the generic notes)	1	1
Net gain (loss) on foreign cash balances	—	(7)
TOTAL OTHER INCOME (LOSS)	—	1
TOTAL INCOME (LOSS)	95	210
EXPENSES (see notes – ETF Specific Information)		
Management fees	36	22
GST/HST	5	3
Transaction costs	20	14
Withholding tax	43	31
TOTAL EXPENSES	104	70
INCREASE (DECREASE) IN NAV	\$ (9)	\$ 140
INCREASE (DECREASE) IN NAV		
CAD UNITS	\$ (6)	\$ 50
USD UNITS	\$ (3)	\$ 90
INCREASE (DECREASE) IN NAV PER UNIT		
CAD UNITS	\$ (0.03)	\$ 0.24
USD UNITS*	\$ (0.02)	\$ 0.69

* Stated in U.S. dollars.



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (9)	\$ 140
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Net unrealized foreign exchange (gain) loss on cash	—	—
Net realized loss (gain) on investments	(156)	179
Change in unrealized loss (gain) on investments	418	(157)
Non-cash distributions from underlying funds	—	—
(Increase) decrease in accrued receivables	30	(54)
Increase (decrease) in accrued payables	(1)	4
Cost of investments purchased*	(12 722)	(8 752)
Proceeds from sale and maturity of investments*	12 747	8 738
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	307	98
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	46	89
Cash paid on redemption of redeemable units*	(54)	(58)
Distributions paid to holders of redeemable units	(243)	(113)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (251)	\$ (82)
Net unrealized foreign exchange gain (loss) on cash	—	—
Net increase (decrease) in cash for the period	56	16
Cash (bank overdraft), beginning of period	16	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 72	\$ 16
Interest received (paid)	\$ —	\$ —
Income received from investment trusts	\$ 270	\$ 189
Dividends received, net of withholding taxes	\$ 74	\$ 146

* Excludes in-kind transactions.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	CAD Units		USD Units		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 5 803	\$ —	\$ 2 901	\$ —	\$ 8 704	\$ —
INCREASE (DECREASE) IN NAV	(6)	50	(3)	90	(9)	140
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	4 710	10 541	1 988	3 786	6 698	14 327
Reinvestments of distributions to holders of redeemable units	166	—	56	—	222	—
Redemption of redeemable units	(7 629)	(4 697)	(3 883)	(932)	(11 512)	(5 629)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(2 753)	5 844	(1 839)	2 854	(4 592)	8 698
Distributions from net income	(186)	(78)	(106)	(40)	(292)	(118)
Distributions from net gains	(166)	—	(56)	—	(222)	—
Distributions from capital	—	(13)	—	(3)	—	(16)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(352)	(91)	(162)	(43)	(514)	(134)
NET INCREASE (DECREASE) IN NAV	(3 111)	5 803	(2 004)	2 901	(5 115)	8 704
NAV AT END OF PERIOD	\$ 2 692	\$ 5 803	\$ 897	\$ 2 901	\$ 3 589	\$ 8 704

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the ETF is to provide unitholders with exposure to the performance of a diversified global portfolio of high-quality Real Estate Investment Trusts (“REITs”) and equity securities of real estate management and development companies that will provide regular income and that have the potential for long-term capital growth.

The ETF was started April 20, 2017.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the ETF's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Global Equities		
Real Estate	99.4	99.4
Other Net Assets	0.6	0.6
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the ETF's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	42.6	44.3
Hong Kong dollar	21.5	19.8
Australian dollar	12.1	12.8
Japanese yen	5.4	5.1
Chinese renminbi	3.2	—
Euro	2.3	1.7
Mexican peso	1.9	—
South African rand	1.8	6.0
Pound sterling	1.4	2.8
Philippine peso	—	0.4
Total	92.2	92.9

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the ETF's NAV may have decreased or increased, respectively, by approximately 4.6% (December 31, 2017 – 4.6%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the ETF's NAV, using a 19-month (December 31, 2017 – 7-month) historical correlation of data of the ETF's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI All Country World Real Estate Index (CAD)	+ or - 1.0	+ or - 0.7

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	3 566	—	—	3 566
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	3 566	—	—	3 566
% of total portfolio	100.0	—	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	8 650	—	—	8 650
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	8 650	—	—	8 650
% of total portfolio	100.0	—	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

Management fees (see note 9 in the generic notes)

RBC GAM is paid a management fee per annum of the NAV by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily NAV of the ETF.

	Management fees
CAD Units	0.55%
USD Units	0.55%

Taxes (\$000s) (see note 7 in the generic notes)

The ETF had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s) (see note 6 in the generic notes)

The NAV per unit is arrived at by dividing the NAV of the ETF by the total number of units outstanding at the end of each trading day of the ETF.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CAD Units		
Opening units	300	—
Issued number of units	250	550
Reinvested number of units	9	—
Units consolidated*	(9)	—
Redeemed number of units	(400)	(250)
Ending number of units	150	300
USD Units		
Opening units	150	—
Issued number of units	100	200
Reinvested number of units	3	—
Units consolidated*	(3)	—
Redeemed number of units	(200)	(50)
Ending number of units	50	150

* The units of the ETF are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the ETF after consolidation is the same as before the distribution.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	20	100	14	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements [†]	—	—	—	—

* See note 9 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The ETF uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 8 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	162	1 885
Fair value of collateral received	166	1 923

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the ETF to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	1	100	1	100
RBC IS (paid)	—	(25)	—	(25)
Tax withheld	—	(6)	—	(3)
ETF revenue	1	69	1	72

December 31, 2018

1. The ETFs

The RBC ETFs, the exchange-traded funds (“ETF” or “ETFs”), are open-ended mutual fund trusts governed by the laws of the Province of Ontario and governed by a Master Declaration of Trust. RBC GAM is the manager, trustee and portfolio manager of the ETFs and its head office is located at 155 Wellington Street West, 22nd Floor, Toronto, Ontario. These financial statements were approved for issuance by the Board of Directors of RBC GAM on March 11, 2019.

The units of the ETFs are listed either on the Toronto Stock Exchange (the “TSX”) or on the Aequis NEO Exchange (the “NEO Exchange”) as the case may be. The TSX and the NEO Exchange are each referred to herein as the “Exchange.” Investors may purchase or sell units on the applicable Exchange in the same way as other securities listed on the Exchange.

ETF	Exchange Ticker Symbol	Index*
RBC 1-5 Year Laddered Canadian Bond ETF	RLB	Not applicable
RBC 1-5 Year Laddered Corporate Bond ETF	RBO	Not applicable
RBC 6-10 Year Laddered Canadian Corporate Bond ETF	RMBO	Not applicable
RBC Target 2019 Corporate Bond Index ETF	RQG	FTSE Canada 2019 Maturity Corporate Bond Index
RBC Target 2020 Corporate Bond Index ETF	RQH	FTSE Canada 2020 Maturity Corporate Bond Index
RBC Target 2021 Corporate Bond Index ETF	RQI	FTSE Canada 2021 Maturity Corporate Bond Index
RBC Target 2022 Corporate Bond Index ETF	RQJ	FTSE Canada 2022 Maturity Corporate Bond Index
RBC Target 2023 Corporate Bond Index ETF	RQK	FTSE Canada 2023 Maturity Corporate Bond Index
RBC Target 2024 Corporate Bond Index ETF	RQL	FTSE Canada 2024 Maturity Corporate Bond Index
RBC Target 2025 Corporate Bond Index ETF	RQN	FTSE Canada 2025 Maturity Corporate Bond Index
RBC PH&N Short Term Canadian Bond ETF	RPSB	Not applicable
RBC Canadian Short Term Bond Index ETF	RCSB	FTSE Canada Universe + Maple Short Term Overall Bond Index
RBC Canadian Bond Index ETF	RCUB	FTSE Canada Universe + Maple Bond Index
RBC Short Term U.S. Corporate Bond ETF	RUSB RUSB.U	Not applicable
RBC Global Government Bond (CAD Hedged) Index ETF	RGGB	FTSE World Government Bond Index (hedged to CAD)

ETF	Exchange Ticker Symbol	Index*
RBC BlueBay Global Diversified Income (CAD Hedged) ETF	RBDI	Not applicable
RBC Canadian Preferred Share ETF	RPF	Not applicable
RBC Quant Canadian Dividend Leaders ETF	RCD	Not applicable
RBC Quant Canadian Equity Leaders ETF	RCE	Not applicable
RBC Canadian Equity Index ETF	RCAN	FTSE Canada All Cap Domestic Index
RBC Vision Women’s Leadership MSCI Canada Index ETF	RLDR	MSCI Canada IMI Women’s Leadership Select Index
RBC Canadian Bank Yield Index ETF	RBNK	Solactive Canada Bank Yield Index
RBC Quant U.S. Dividend Leaders ETF	RUD RUD.U	Not applicable
RBC Quant U.S. Dividend Leaders (CAD Hedged) ETF	RUDH	Not applicable
RBC Quant U.S. Equity Leaders ETF	RUE RUE.U	Not applicable
RBC Quant U.S. Equity Leaders (CAD Hedged) ETF	RUEH	Not applicable
RBC U.S. Equity Index ETF	RUSA	FTSE USA Index
RBC U.S. Equity (CAD Hedged) Index ETF	RUSH	FTSE USA Hedged 100% to CAD Index
RBC U.S. Banks Yield Index ETF	RUBY RUBY.U	Solactive U.S. Bank Yield Index
RBC U.S. Banks Yield (CAD Hedged) Index ETF	RUBH	Solactive U.S. Bank Yield (CAD Hedged) Index
RBC Quant European Dividend Leaders ETF	RPD RPD.U	Not applicable
RBC Quant European Dividend Leaders (CAD Hedged) ETF	RPDH	Not applicable
RBC Quant EAFE Dividend Leaders ETF	RID RID.U	Not applicable
RBC Quant EAFE Dividend Leaders (CAD Hedged) ETF	RIDH	Not applicable
RBC Quant EAFE Equity Leaders ETF	RIE RIE.U	Not applicable
RBC Quant EAFE Equity Leaders (CAD Hedged) ETF	RIEH	Not applicable
RBC International Equity Index ETF	RINT	FTSE Developed ex North America Index
RBC International Equity (CAD Hedged) Index ETF	RINH	FTSE Developed ex North America Index (hedged to CAD)

December 31, 2018

ETF	Exchange Ticker Symbol	Index*
RBC Quant Emerging Markets Dividend Leaders ETF	RXD RXD.U	Not applicable
RBC Quant Emerging Markets Equity Leaders ETF	RXE RXE.U	Not applicable
RBC Emerging Markets Equity Index ETF	REEM	FTSE Emerging Index
RBC Strategic Global Dividend Leaders ETF	RLD	Not applicable
RBC Strategic Global Equity Leaders ETF	RLE	Not applicable
RBC Quant Global Infrastructure Leaders ETF	RIG RIG.U	Not applicable
RBC Quant Global Real Estate Leaders ETF	RGRE RGRE.U	Not applicable

* These indices have been licensed for use for certain purposes to RBC GAM by FTSE Global Debt Capital Markets Inc., FTSE International Limited, FTSE Fixed Income LLC, Solactive AG and MSCI Inc. (each an "Index Provider" and together, the "Index Providers"), as applicable. The ETFs are not sponsored, endorsed, sold or promoted by the Index Providers. The Index Providers make no warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the indices they have licensed to RBC GAM and/or the figures at which the indices they have licensed to RBC GAM stand at any particular time on any particular day or otherwise. The indices are compiled, calculated and published by the applicable Index Provider. The Index Providers shall not be liable (whether in negligence or otherwise) to any person for any error in the indices they have licensed to RBC GAM and the Index Providers shall not be under any obligation to advise any person of any error therein. The Index Providers make no representation regarding the advisability of investing in the ETFs.

2. Financial year

The information provided in these financial statements and notes thereto is as at December 31, 2018 and December 31, 2017, as applicable, and for the 12-month periods ended December 31, 2018 and December 31, 2017, as applicable, except for ETFs or classes established during either period, in which case the information for the ETF or class, is provided for the period from the start date as described in the Notes to Financial Statements – ETF Specific Information of the ETF.

3. Summary of significant accounting policies

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"). The significant accounting policies of the ETFs, which are investment entities, are as follows:

Adoption of New Accounting Standards Effective January 1, 2018, the ETFs adopted IFRS 9 Financial Instruments. The new standard requires financial assets to be classified as amortized cost and fair value, with changes in fair value through profit and loss ("FVTPL") or fair value

through other comprehensive income ("FVOCI") based on the entity's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Assessment and decision on the business model approach used is an accounting judgment. IFRS 9 also introduces a new expected credit loss impairment model.

The adoption of IFRS 9 has been applied retrospectively without the use of hindsight and did not result in a change to the measurement of financial instruments, in either the current or comparative period. The ETFs' financial assets previously designated at FVTPL under IAS 39 Financial Instruments are now mandatorily classified and measured at FVTPL. The ETFs' financial assets and liabilities previously classified as FVTPL under the held for trading category continue to be classified as held for trading and measured at FVTPL. Other financial assets and liabilities will continue to be measured at amortized cost. There was no material impact on the adoption of the new impairment model.

In addition, certain comparative figures in the Statements of Comprehensive Income have been revised to meet the disclosure requirements on initial application of IFRS 9. Amounts previously recorded as "Net gain (loss) on foreign currencies and other net assets," "Other derivatives" and "Net gain (loss) from futures contracts" are now recorded as "Derivative income." And certain amounts previously recorded as "Other income (loss)" are now recorded as "Income from investment trusts."

Classification and Measurement of Financial Assets, Liabilities and Derivatives Each of the ETFs classify their investment portfolio based on the business model for managing the portfolio and the contractual cash flow characteristics. The investment portfolio of financial assets and liabilities is managed and performance is evaluated on a fair value basis. The contractual cash flows of the ETFs' debt securities that are solely principal and interest are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the ETFs' business model objectives. Consequently, all investments are measured at FVTPL. Derivative assets and liabilities are also measured at FVTPL.

The ETFs' obligation for net assets attributable to holders of redeemable units represents a financial liability and is measured at the redemption amount, which approximates fair value as of the reporting date. All other financial assets and liabilities are measured at amortized cost.

December 31, 2018

Offsetting Financial Assets and Liabilities In the normal course of business, the ETFs may enter into various International Swaps and Derivatives Association master netting agreements or other similar arrangements with certain counterparties that allow for related amounts to be offset in certain circumstances, such as bankruptcy or termination of contracts. Offsetting information, where applicable, is presented in the Notes to Financial Statements – ETF Specific Information.

Classification of Redeemable Units The ETFs’ redeemable units, which are puttable instruments, are held by different types of unitholders that are entitled to different redemption rights. Consequently, the ETFs’ outstanding redeemable units are classified as financial liabilities in accordance with the requirements of IAS 32 Financial Instruments: Presentation.

Unconsolidated Structured Entities The ETFs may invest in other Funds and ETFs managed by the manager or an affiliate of the manager (“sponsored funds”) and may invest in other funds and ETFs managed by unaffiliated entities (“unsponsored funds”); collectively, “underlying funds.” The underlying funds are determined to be unconsolidated structured entities, as decision making in the underlying fund is not governed by the voting rights or other similar rights held by the ETF. The investments in underlying funds are subject to the terms and conditions of the offering documents of the respective underlying funds and are susceptible to market price risk arising from uncertainties about future values of those underlying funds. The underlying funds’ objectives are generally to achieve long-term capital appreciation and/or current income by investing in a portfolio of securities and other funds in line with each of their documented investment strategies. The underlying funds apply various investment strategies to accomplish their respective investment objectives.

The underlying funds finance their operations by issuing redeemable units which are puttable at the unitholder’s option, and entitle the unitholder to a proportional stake in the respective underlying funds’ NAV.

The ETFs do not consolidate their investment in underlying funds but account for these investments at fair value. The manager has determined that the ETFs are investment entities in accordance with IFRS 10 Consolidated Financial Statements, since the ETFs meet the following criteria:

- (i) The ETFs obtain capital from one or more investors for the purpose of providing those investors with investment management services,
- (ii) The ETFs commit to their investors that their business purpose is to invest funds solely for the returns from capital appreciation, investment income or both, and
- (iii) The ETFs measure and evaluate the performance of substantially all of their investments on a fair value basis.

Therefore, the fair value of investments in the underlying funds is included in the Schedule of Investment Portfolio and included in “Investments at fair value” in the ETFs’ Statements of Financial Position. The change in fair value of the investment held in the underlying funds is included in “Change in unrealized gain (loss) on investments” in the Statements of Comprehensive Income.

Certain ETFs may invest in mortgage-related or other asset-backed securities. These securities include commercial mortgage-backed securities, asset-backed securities, collateralized debt obligations and other securities that directly or indirectly represent a participation in, or are securitized by and payable from, mortgage loans on real property. Mortgage-related securities are created from pools of residential or commercial mortgage loans while asset-backed securities are created from many types of assets, including auto loans, credit card receivables, home equity loans and student loans. The ETFs account for these investments at fair value. The fair value of such securities, as disclosed in the Schedule of Investment Portfolio, represents the maximum exposure to losses at that date.

Determination of Fair Value The fair value of a financial instrument is the amount at which the financial instrument could be exchanged in an arm’s-length transaction between knowledgeable and willing parties under no compulsion to act. In determining fair value, a three-tier hierarchy based on inputs is used to value the ETFs’ financial instruments. The hierarchy of inputs is summarized below:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), including broker quotes, vendor prices and vendor fair value factors; and

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Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Changes in valuation methods may result in transfers into or out of an investment's assigned level.

Investments and derivatives are recorded at fair value, which is determined as follows:

Equities – Common shares and preferred shares are valued at the closing price recorded by the security exchange on which the security is principally traded. In circumstances where the closing price is not within the bid-ask spread, management will determine the points within the bid-ask spread that are most representative of the fair value.

Fixed-Income and Debt Securities – Bonds and mortgage-backed securities are valued at the closing price quoted by major dealers or independent pricing vendors in such securities.

Short-Term Investments – Short-term investments are valued at fair value, which is approximated at cost plus accrued interest.

Warrants – Warrants are valued using a recognized option pricing model, which includes factors such as the terms of the warrant, time value of money and volatility inputs that are significant to such valuation.

Forward Contracts – Forward contracts are valued at the gain or loss that would arise as a result of closing the position at the valuation date. The receivable/payable on forward contracts is recorded separately in the Statements of Financial Position. Any unrealized gain or loss at the close of business on each valuation date is recorded as "Change in unrealized gain (loss) on investments" and realized gain or loss on foreign exchange contracts is included in "Derivative income" in the Statements of Comprehensive Income.

Fair Valuation of Investments – The ETFs have procedures to determine the fair value of securities and other financial instruments for which market prices are not readily available or which may not be reliably priced. Procedures are in place to determine the fair value of foreign securities traded in countries outside of North America daily to avoid stale prices and to take into account, among other things, any significant events occurring after the close of a foreign market.

Management also has procedures where the ETFs primarily employ a market-based approach, which may use related or comparable assets or liabilities, NAV per unit (for exchange-traded funds), recent transactions, market multiples, book

values and other relevant information for the investment to determine its fair value. The ETFs may also use an income-based valuation approach in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments, but only if they arise as a feature of the instrument itself. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

All security valuation techniques are periodically reviewed by the Valuation Committee ("VC") of the manager and are approved by the manager. The VC provides oversight of the ETFs' valuation policies and procedures.

Cash Cash is comprised of cash and deposits with banks and is recorded at amortized cost. The carrying amount of cash approximates its fair value because it is short term in nature.

Foreign Exchange The value of investments and other assets and liabilities in foreign currencies is translated into Canadian dollars at the rate of exchange on each valuation date. Gains/losses on foreign cash balances are included in "Net gain (loss) on foreign cash balances" in the Statements of Comprehensive Income. Purchases and sales of investments, income and expenses are translated at the rate of exchange prevailing on the respective dates of such transactions. Realized foreign exchange gains/losses on spot and forward currency contracts are included in "Derivative income" in the Statements of Comprehensive Income.

Functional Currency The ETFs have their subscriptions, redemptions and performance denominated in Canadian dollars and, consequently, the Canadian dollar is the functional currency for the ETFs.

Investment Transactions Investment transactions are accounted for as of the trade date. Transaction costs, such as brokerage commissions, incurred by the ETFs are recorded in the Statements of Comprehensive Income for the period. The unrealized gain and loss on investments is the difference between fair value and average cost for the period. The basis of determining the cost of portfolio assets, and realized and unrealized gains and losses on investments, is average cost which does not include amortization of premiums or discounts on fixed-income and debt securities with the exception of zero coupon bonds.

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Income Recognition Dividend income is recognized on the ex-dividend date and interest for distribution purposes is coupon interest recognized on an accrual basis and/or imputed interest on zero coupon bonds. “Income from investment trusts” includes income from ETFs and income trusts.

Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit Increase (decrease) in net assets attributable to holders of redeemable units per unit in the Statements of Comprehensive Income represents the increase (decrease) in net assets attributable to holders of redeemable units, divided by the average units outstanding during the period.

Foreign Currencies The following is a list of abbreviations used in the Schedule of Investment Portfolio:

AUD – Australian dollar	JPY – Japanese yen
CAD – Canadian dollar	MXN – Mexican peso
CHF – Swiss franc	NOK – Norwegian krone
DKK – Danish krone	PLN – Polish zloty
EUR – Euro	SEK – Swedish krona
GBP – Pound sterling	SGD – Singapore dollar
HKD – Hong Kong dollar	USD – United States dollar
ILS – Israeli new shekel	ZAR – South African rand

4. Critical accounting judgments and estimates

The preparation of financial statements requires the use of judgment in applying the ETFs’ accounting policies and making estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that management has made in preparing the financial statements.

Fair value measurement of securities not quoted in an active market

The ETFs have established policies and control procedures that are intended to ensure these estimates are well controlled, independently reviewed and consistently applied from period to period. The estimates of the value of the ETFs’ assets and liabilities are believed to be appropriate as at the reporting date.

The ETFs may hold financial instruments that are not quoted in active markets. Note 3 discusses the policies used by management for the estimates used in determining fair value.

5. Financial instrument risk and capital management

RBC GAM is responsible for managing each ETF’s capital, which is its NAV and consists primarily of its financial instruments.

An ETF’s investment activities expose it to a variety of financial risks. RBC GAM seeks to minimize potential adverse effects of these risks on an ETF’s performance by employing professional, experienced portfolio managers, daily monitoring of the ETF’s holdings and market events and diversifying its investment portfolio within the constraints of its investment objectives. To assist in managing risks, RBC GAM also uses internal guidelines, maintains a governance structure that oversees each ETF’s investment activities and monitors compliance with the ETF’s investment strategies, internal guidelines and securities regulations.

Financial instrument risk, as applicable to an ETF, is disclosed in its Notes to Financial Statements – ETF Specific Information. These risks include an ETF’s direct risks and pro rata exposure to the risks of underlying funds, as applicable.

Liquidity risk

Liquidity risk is the possibility that investments in an ETF cannot be readily converted into cash when required. An ETF is exposed to liquidity risk to the extent that it is subject to daily redemptions of redeemable units. Since the delivery of redemptions is in the form of securities, an ETF is not exposed to any significant liquidity risk. Liquidity risk is managed by investing the majority of an ETF’s assets in investments that are traded in an active market and that can be readily disposed. In accordance with securities regulation, an ETF must maintain at least 90% of its assets in liquid investments. In addition, an ETF aims to retain sufficient cash and cash equivalent positions to maintain liquidity, and has the ability to borrow up to 5% of its NAV. All non-derivative financial liabilities, other than redeemable units, are due within 90 days.

Any securities deemed to be illiquid are identified in the Schedules of Investment Portfolio.

Credit risk

Credit risk is the risk that a loss could arise from a security issuer or counterparty not being able to meet its financial obligations. The carrying amount of investments and other assets represents the maximum credit risk exposure as disclosed in an ETF’s Statements of Financial Position. The ETFs measure credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. All other receivables, amounts due from brokers, cash and short-term deposits are held with counterparties with a credit rating of AA/Aa or higher. Management

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considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognized based on 12-month expected credit losses as any such impairment would be wholly insignificant to the ETFs. The fair value of fixed-income securities includes a consideration of the creditworthiness of the debt issuer. Credit risk exposure is mitigated for those ETFs participating in a securities lending program (see note 8). RBC GAM monitors each ETF's credit exposure and counterparty ratings daily. Rating data is provided by the Licensors Parties.

Concentration risk

Concentration risk arises as a result of net financial instrument exposures to the same category, such as geographical region, asset type, industry sector or market segment. Financial instruments in the same category have similar characteristics and may be affected similarly by changes in economic or other conditions.

Interest rate risk

Interest rate risk is the risk that the fair value of an ETF's interest-bearing investments will fluctuate due to changes in market interest rates. The value of fixed-income and debt securities, such as bonds, is affected by interest rates. Generally, the value of these securities increases if interest rates fall and decreases if interest rates rise.

Securities with a stated maturity date beyond the target maturity year of the ETF have an effective maturity date in the target year of the ETF, as determined with the rules based on methodology developed by the Licensors Parties.

Currency risk

Currency risk is the risk that the value of investments denominated in currencies, other than the functional currency of a Fund, will fluctuate due to changes in foreign exchange rates. The value of investments denominated in a currency other than the functional currency is affected by changes in the value of the functional currency in relation to the value of the currency in which the investment is denominated. When the value of the functional currency falls in relation to foreign currencies, then the value of the foreign investments rises. When the value of the functional currency rises, the value of the foreign investments falls.

Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market

prices (other than those arising from interest rate or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment.

6. Redeemable units

The beneficial interest in the ETFs is divided into equal interests of one class referred to as outstanding units. Each ETF is authorized to issue an unlimited number of redeemable and transferable units, each of which represents an equal, undivided interest in the net asset value of the ETF. Each unit outstanding shall participate pro rata in any distributions made, other than management fee distributions, and in the event of termination of the ETF, in the net assets of the ETF.

On any trading day, an underwriter or designated broker may place a subscription or redemption order for an integral multiple of the prescribed number of units of an ETF. If the order is accepted, the ETF will issue or redeem units to or from the underwriter or designated broker within two trading days thereafter. For each prescribed number of units issued or redeemed, the underwriter or designated broker must deliver or receive payment consisting of:

- a) a basket of applicable securities for each prescribed number of units; and
- b) cash in an amount sufficient so that the value of the basket of the applicable securities and cash delivered is equal to the net asset value of the prescribed number of units plus the distribution price adjustment, if applicable, of the ETF.

A trading day is each day on which the TSX is open for trading.

A unitholder is entitled on any trading day to redeem units for cash at a redemption price of 95% of net asset value per unit of the ETF's units at the next valuation following receipt of the cash redemption request. To be effective on a particular trading day, a cash redemption request must be received by such time as RBC GAM may, from time to time, determine on that trading day. If a cash redemption request is received later than the prescribed time on a trading day or a day which is not a trading day, the cash redemption request shall be deemed to be received as of the next trading day.

The net asset value per unit is arrived at by dividing the net asset value of the ETF by the total number of units outstanding at the end of each trading day of the ETF. The capital of the ETFs is managed in accordance with the investment objective as outlined in the Prospectus.

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7. Taxes

The ETFs qualify as “mutual fund trusts” or “unit trusts” as defined in the *Income Tax Act* (Canada). In general, the ETFs are subject to income tax; however, no income tax is payable on net income and/or net realized capital gains which are distributed to unitholders. Since the ETFs do not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the Statements of Financial Position as a deferred income tax asset. In addition, for mutual fund trusts, income taxes payable on net realized capital gains are refundable on a formula basis when units of the ETFs are redeemed. It is the intention of the ETFs to pay out all net income and realized capital gains each year so that the ETFs will not be subject to income taxes.

Accordingly, no provision for income taxes is recorded.

Net investment income and capital gains are distributable to the unitholders in amounts determined under the provisions of the Declaration of Trust on a monthly or quarterly basis. All distributions, other than management fee distributions, shall be credited to the unitholder pro rata in accordance with the number of units held by them on record date of the distribution. Reinvested distributions will be automatically reinvested in additional units of the applicable class of the RBC ETF at a price equal to the net asset value per unit of the applicable class of the RBC ETF. The units of that class will be immediately consolidated such that the number of outstanding units of the applicable class following the distribution will equal the number of units of the applicable class outstanding prior to the distribution. Management fee distributions shall be credited to the unitholder entitled thereto.

Capital losses are available to be carried forward indefinitely and applied against future capital gains. Non-capital losses may be carried forward to reduce future taxable income for up to 20 years.

8. Securities lending revenue

Certain of the ETFs lend portfolio securities from time to time in order to earn additional income. Income from securities lending is included in the Statements of Comprehensive Income of the ETF. Each ETF will have entered into a securities lending agreement with its custodian, RBC Investor Services Trust (“RBC IS”). The aggregate market value of all securities loaned by an ETF cannot exceed 50% of the assets of an ETF. The ETF receives collateral, with an approved credit rating of at least A, of at least 102% of the value of the

securities on loan. The ETF is indemnified by RBC IS for any collateral credit or market loss. As such, the credit risk associated with securities lending is considered minimal.

9. Administrative and other related-party transactions

Manager, Trustee and Portfolio Manager

RBC GAM is an indirect wholly owned subsidiary of Royal Bank of Canada (“Royal Bank”). RBC GAM is the manager, trustee and portfolio manager of the ETFs. RBC GAM is responsible for the ETFs’ day-to-day operations, holds title to the ETFs’ property on behalf of its unitholders, provides investment advice and portfolio management services to the ETFs and appoints underwriters or designated brokers for the ETFs. RBC GAM is paid a management fee by the ETFs as compensation for its services. The management fee is calculated and accrued on a daily basis and is based on a percentage of the NAV of the ETFs. The fee plus applicable taxes are accrued daily and paid monthly in arrears.

RBC GAM in turn pays certain operating expenses of the ETFs. These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, recordkeeping, accounting and fund valuation costs, custody fees, audit and legal fees and the cost of preparing and distributing annual and interim reports, prospectuses and investor communications. The ETFs also pay certain operating expenses directly, including the costs related to the Independent Review Committee of the ETFs and the cost of any new government or regulatory requirements introduced and any borrowing costs (collectively, “other fund costs”), and taxes (including, but not limited to, GST/HST).

Certain ETFs may invest in units of other Funds managed by RBC GAM or its affiliates (“underlying funds”). To the extent an ETF invests in underlying funds managed by RBC GAM or its affiliates, the fees and expenses payable by the underlying funds are in addition to the fees and expenses payable by the ETF. However, an ETF may only invest in one or more underlying funds provided that no management fees or incentive fees are payable that would duplicate a fee payable by the underlying fund for the same service. The ETF’s ownership interest in underlying funds is disclosed in the Notes to Financial Statements – ETF Specific Information. The fees and expenses payable by the underlying funds are in addition to the fees and expenses payable by the ETF.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions

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with, the ETFs, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when unitholders switch between ETFs denominated in different currencies. The ETFs also maintain bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the ETFs in the course of their normal business, all of which are wholly owned subsidiaries of Royal Bank of Canada, are discussed below.

Sub-Advisors

RBC Global Asset Management (U.S.) Inc. is the sub-advisor for the RBC Short Term U.S. Corporate Bond ETF. BlueBay Asset Management LLP is the sub-advisor for the RBC BlueBay Global Diversified Income (CAD Hedged) ETF.

The sub-advisors earn a fee which is calculated and accrued on a daily basis and is based on a percentage of the NAV of the ETFs. The sub-advisors are paid by the manager from the management fee paid by the ETFs.

Custodian and Valuation Agent

RBC IS is the custodian and valuation agent for the ETFs. RBC IS is responsible for certain aspects of day-to-day administration including holding the assets and the daily calculation of the net asset value of the ETFs. RBC IS earns a variable fee based on the value of assets under custody and a fixed fee for other valuation and administrative services.

Designated Broker and Authorized Dealer

RBC Dominion Securities Inc. is a designated broker and/or an authorized dealer for the ETFs. As such, RBC Dominion Securities Inc. may subscribe or redeem units of the ETFs.

Brokers and Dealers

The ETFs have established or may establish standard brokerage agreements and dealing agreements at market rates with related parties such as RBC Dominion Securities Inc., RBC Capital Markets, LLC, RBC Europe Limited, NBC Securities Inc. and Royal Bank of Canada.

Securities Lending Agent

To the extent an ETF may engage in securities lending transactions, RBC IS may act as the ETF's securities lending agent. Any revenue earned on such securities lending is split between the ETF and the securities lending agent.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the ETFs relied on the standing instructions from the Independent Review Committee with respect to the following related-party transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public; and
- (c) purchases of debt securities from or sales of debt securities to a related-party dealer, where it acted as principal.

The applicable standing instructions require that Related-Party Trading Activities be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the ETFs, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the ETFs.

10. Revision of comparative information

Where applicable, certain comparative figures on the Statements of Financial Position, Statements of Comprehensive Income, Statements of Changes in NAV and ETF Specific Information have been revised to reflect series specific information for the following ETFs:

RBC Short Term U.S. Corporate Bond ETF, RBC Quant U.S. Dividend Leaders ETF, RBC Quant U.S. Equity Leaders ETF, RBC Quant European Dividend Leaders ETF, RBC Quant EAFE Dividend Leaders ETF, RBC Quant EAFE Equity Leaders ETF, RBC Quant Emerging Markets Dividend Leaders ETF, RBC Quant Emerging Markets Equity Leaders ETF, RBC Quant Global Infrastructure Leaders ETF and RBC Quant Global Real Estate Leaders ETF.

If you have questions regarding RBC ETFs, you can contact us using the following options:

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