



# RBC Private U.S. Large-Cap Core Equity Pool

## Investment Objective

To provide long-term total returns primarily consisting of capital appreciation. The Fund invests primarily in common stocks and equivalent securities of U.S. corporations.

The investment team seeks large-cap companies that exhibit lower price-to-earnings, price-to-book and price-to-cash flow ratios than those of the S&P 500 Index. Attractive investment candidates are viewed as subject to an improvement in fundamental characteristics, such as company restructuring, management changes, new product cycles and secular changes in the balance of supply and demand.

## Fund Details

Series	Currency	Fund Code
0	CAD	RBF10257
0	USD	RBF10258

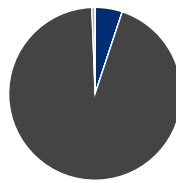
Inception Date	October 2008
Total Fund Assets \$Mil	2,615.8
Benchmark	S&P 500 Total Return Index (CAD)

## Notes

Performance Analysis is in CAD and for CAD series 0 fund (RBF10257).

## Portfolio Analysis as of April 30, 2019

### Asset Mix



	% Assets
Cash	5.1
Fixed Income	0.0
Canadian Equity	0.0
US Equity	94.3
International Equity	0.6
Other	0.0

### Top 10 Holdings

	% Assets
Microsoft Corp	4.8
Amazon.com Inc	3.8
Apple Inc	3.3
Alphabet Inc Class C	2.9
Facebook Inc A	2.5
JPMorgan Chase & Co	2.3
Berkshire Hathaway Inc B	2.2
Exxon Mobil Corp	1.9
Johnson & Johnson	1.9
Visa Inc Class A	1.6
Total % of Top 10 Holdings	27.2
Total Number of Stock Holdings	141
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>142</b>

### Equity Style

	Value	Blend	Growth
Large	27	31	35
Mid	2	2	1
Small	0	0	0

Weight %
● > 50
● 25 - 50
● 10 - 25
○ 0 - 10

### Equity Statistics

P/B Ratio	3.1
P/E Ratio	18.7
P/FCF	11.1
P/S	2.6
Avg. Mkt Cap. \$B	182.2
Dividend Yield	1.8

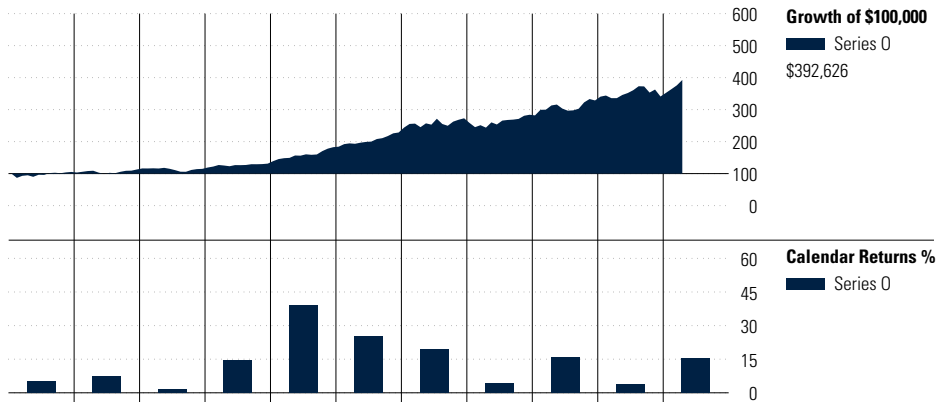
### Top 5 Equity Sectors

	% Equity
Information Technology	22.6
Financials	14.8
Health Care	14.1
Consumer Discretionary	10.9
Communication Services	10.4
% in Top 5 Equity Sectors	72.8

### Risk Measures

	Fund	Benchmark
3 Year Std Dev	10.7	10.5
5 Year Std Dev	11.7	11.0

## Performance Analysis as of April 30, 2019



Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD	Fund	Benchmark
Calendar Returns %	5.2	7.3	1.7	14.3	39.2	25.2	19.4	4.1	15.7	3.8	15.2		
Growth of \$100,000	9.3	9.2	4.3	13.1	41.6	24.3	20.7	8.6	14.1	3.8	16.0		

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Fund	4.5	11.5	11.2	16.9	17.2	15.2	15.3	14.5	
Benchmark	4.3	11.6	11.7	18.4	17.4	16.2	16.7	—	



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## Management Overview

### Manager Bios

#### Stuart Kedwell

##### RBC Global Asset Management Inc.

Stuart Kedwell is Senior Vice President and Co-Head, North American Equities. He has been in the investment industry since 1997.

#### Doug Raymond

##### RBC Global Asset Management Inc.

Doug Raymond is Senior Vice President and Co-Head, North American Equities. He has been in the investment industry since 1985.

### Performance Analysis Cont'd as of April 30, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	0.11	1.66	1.33	0.43	1.29	1.83	1.22	0.39	0.18	0.19	0.16
Interest	0.11	0.35	0.33	0.43	0.28	0.26	0.31	0.19	0.18	0.15	0.16
Dividends	—	—	0.00	—	—	—	—	—	—	—	—
Capital Gains	—	1.30	1.00	—	1.01	1.57	0.91	0.20	—	0.04	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2013	39.2	7-2015	29.0	7-2015	21.5	2-2019	15.4
Worst	2-2016	-4.0	10-2011	2.9	10-2013	10.7	12-2018	13.0
Average		15.3		16.4		17.7		14.3
No. of Periods		115		91		67		7
Pct. Positive		94.8		100.0		100.0		100.0

\* Distributions are characterized into income type at year-end.

### Quarterly Commentary as at March 31, 2019

Thus far in 2019, U.S. equities have pivoted off the Christmas Eve lows, staging a strong rebound, if only reclaiming a portion of the losses of 2018. The main support for the rebound has been more dovish central banks, though promising trade negotiations have also contributed.

Throughout the quarter, security selection within Health Care was a positive contributor to relative performance. In particular, the fund's overweight position in Danaher helped as shares in the global conglomerate advanced after it purchased the life sciences business from GE, reaffirming confidence in the company's management. Additionally, an overweight position in Ulta Beauty also boosted relative performance as the company reported strong quarterly earnings, partly attributed to their exclusive arrangement with Kylie Jenner for her cosmetics line, which increased store traffic during the holidays and ultimately benefitted the company's other products as well.

While security selection within Health Care

attributed positively to performance during the quarter, our overweight position in UnitedHealth Group was an outlier. While it's a well-run company, it doesn't have as many levers to pull as others in the space and we moved to eliminate the overweight in this position over the course of the quarter.

Looking forward, the outlook for the rest of 2019 may be challenged given the absence of another round of tax cuts and slower economic growth. However, moderate inflation and accommodative monetary policy should provide support for stocks. In addition, we continue to be mindful of the ongoing U.S.-China trade negotiations, the pace of global growth, and rising geopolitical concerns. Based on the balance of risks, we believe that for now, the global economy should continue to expand fast enough to support stocks in the short term, but there is less clarity to our intermediate-term view.



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MER (%) for RBC Funds, RBC Private Pools, PH&N Funds and BlueBay Funds is based on actual expenses for the preceding calendar year or most recent half-year period ended June 30 expressed on an annualized basis, depending on availability of data at the time of publication.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the preceding full year period ended March 31 or half-year period ended September 30 expressed on an annualized basis, depending on availability of

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