



# RBC Private EAFE Equity Pool

## Investment Objective

To provide long-term growth primarily through capital appreciation by investing in a portfolio of common stocks, American Depositary Receipts (ADRs) and equivalent securities of major companies domiciled in the developed countries of Europe, Australasia, and the Far East (EAFE).

The investment team believes that stock prices follow identifiable patterns, and that by identifying the financial and market characteristics that have been in place when an individual company has produced outstanding results and combining this with thorough fundamental analysis, the team can single out the firms that will achieve superior returns. The investment team implements this philosophy using a screen developed in-house called Return Pattern Recognition®. The screen has historically produced one-third of the rolling three-year excess return.

## Fund Details

Series	Currency	Fund Code
0	CAD	RBF10420
0	USD	RBF10430

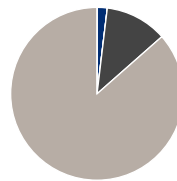
Inception Date	August 2003
Total Fund Assets \$Mil	271.3
Benchmark	MSCI EAFE Total Return Net Index (C\$)

## Notes

Performance Analysis is in CAD and for CAD series 0 fund (RBF10420).

## Portfolio Analysis as of April 30, 2019

### Asset Mix



	% Assets
Cash	1.9
Fixed Income	0.0
Canadian Equity	0.0
US Equity	11.6
International Equity	86.5
Other	0.0

### Top 10 Holdings

	% Assets
Icon PLC	4.0
NICE Ltd ADR	3.3
Safran SA	3.3
Amadeus IT Group SA A	3.0
Diageo PLC	2.9
DNB ASA	2.6
Carnival Corp	2.4
Unilever PLC	2.4
Taiwan Semiconductor Manufacturing	2.3
Roche Holding AG Dividend Right Cert.	2.2
Total % of Top 10 Holdings	28.5
Total Number of Stock Holdings	61
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>62</b>

### Equity Style

	Large	Mid	Small
Value	23	7	0
Blend	33	3	0
Growth	22	9	3

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

### Equity Statistics

P/B Ratio	1.7
P/E Ratio	14.1
P/FCF	8.0
P/S	1.3
Avg. Mkt Cap. \$B	41.4
Dividend Yield	2.4

### Top 5 Equity Sectors

	% Equity
Financials	21.4
Information Technology	16.0
Health Care	11.9
Industrials	10.2
Materials	9.8
% in Top 5 Equity Sectors	69.2

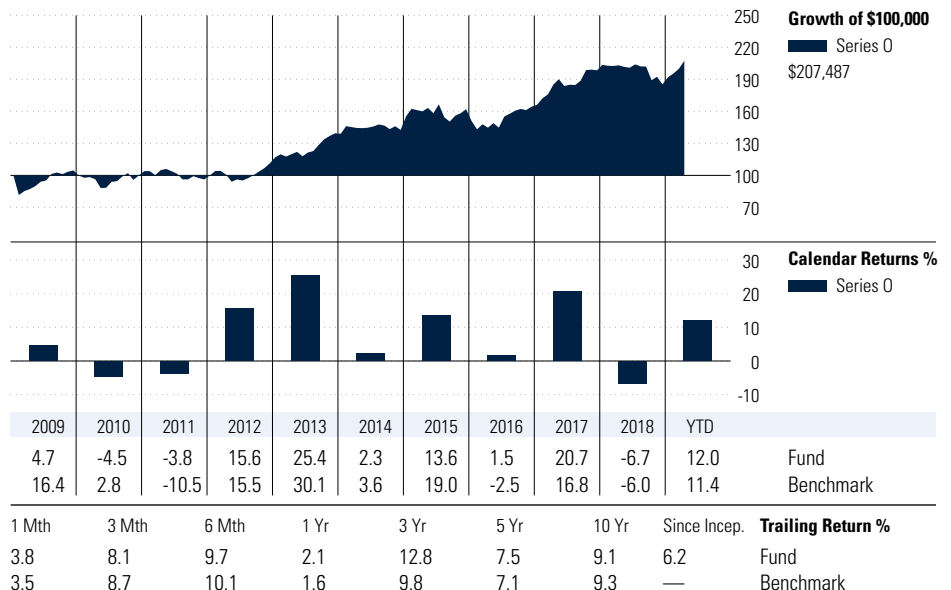
### Risk Measures

	Fund	Benchmark
3 Year Std Dev	9.1	9.2
5 Year Std Dev	10.9	10.9

### Geographic Allocations

	% Assets
United Kingdom	13.7
United States	11.8
Japan	9.8
China	8.1
France	7.6

## Performance Analysis as of April 30, 2019





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## Management Overview

### Manager Bios

#### Earnest Partners LLC

EARNEST Partners is an independent, employee-owned asset management firm currently advising on more than \$20 billion in assets for clients around the world including corporations, government pension funds, jointly-trusted plans, endowments and foundations. EARNEST Partners is headquartered in Atlanta, GA with representative offices in China and Brazil.

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

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	0.06	0.33	0.35	0.27	0.28	0.23	0.18	0.17	0.38	0.37	0.35
Interest	0.06	0.33	0.35	0.27	0.28	0.23	0.18	0.17	0.38	0.37	0.35
Dividends	—	—	0.00	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2006	33.1	7-2015	20.5	5-2017	15.1	2-2019	9.1
Worst	3-2009	-30.6	5-2010	-14.1	5-2012	-7.6	1-2017	1.8
Average		6.7		6.2		5.3		4.7
No. of Periods		177		153		129		69
Pct. Positive		71.8		73.9		67.4		100.0

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

### Quarterly Commentary as at March 31, 2019

Global equity markets sharply recovered during the Q1 of 2019, as easing monetary policy and promising trade developments allayed investors' concerns from the previous quarter. Domestic markets boasted their best quarterly returns in a decade and all domestic benchmark indices were up over 10% on the quarter. During the quarter, the U.S. Federal Reserve (Fed) abruptly changed the near-term outlook for interest rates. In response to a slowing global economy, it signaled early in the quarter that it would pause its recent string of interest rate increases.

All 11 economic sectors advanced during the period led by Information Technology. Utilities, which held up relatively better when markets declined in Q4 of 2018, was among the worst performing sectors this quarter. The portfolio has a relative overweight to Information Technology and has no exposure to the Utilities sector.

Contributing to performance during the quarter, Austrian oil field service company, Schoeller-Bleckmann, produces precision machined,

specialty metal components and motors used within oilfield drilling equipment. The company showed profit growth during the period citing continued strength in North America. The stock gained 27% in the quarter as a result of the improving fundamentals. The company's competitive positioning remains strong within the oil field services landscape as backlog orders doubled compared to the same time last year representing robust demand for its highly specialized components and motors.

Detracting from performance for the quarter, BYD Company, headquartered in Shenzhen, is a Chinese manufacturer of automobiles and one of the world's largest manufacturer of rechargeable batteries. During the period, BYD reported revenue growth of 23% over the previous year, on the back of strong sales of its Alternative Fuel Vehicles (AFVs). Despite the generally upbeat report, earnings missed consensus expectations causing investors to sell the stock. As a result, BYD ended the period down 6%.



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Management fees and expenses all may be associated with mutual fund investments. Please read the prospectus or Fund Facts document before investing. Except as otherwise noted, the indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns.

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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

data at the time of publication.

Graphs are only used to illustrate the effects of the compound growth rate and do not reflect future values of any fund or returns on investment of any fund.

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