



RBC O'Shaughnessy U.S. Value Fund (Unhedged)

Investment Objective

To provide long-term total returns, consisting of capital growth and current income. The fund invests primarily in equity securities of U.S. companies based on Strategy Indexing®, an investment portfolio management model developed in 1995 by Jim O'Shaughnessy. Strategy Indexing is a rigorous and disciplined approach to stock selection based on characteristics associated with above average returns over long periods of time. Stocks, including American Depositary Receipts (ADRs), are bought and held over the course of each year, with no attempt to "time the markets".

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF1540
Adv	Low Load	CAD	RBF126
Adv	No Load	CAD	RBF1741

Inception Date	January 2018
Total Fund Assets \$Mil	5.0
Series A NAV \$	9.13
Series A MER %	1.50
Benchmark	Russell 1000 Value Total Return Net Index (CAD)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

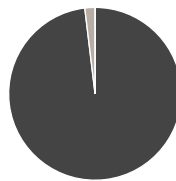
Fund Category	US Equity
---------------	-----------

Management Company	RBC Global Asset Management Inc.
--------------------	----------------------------------

Web Site	www.rbcgam.com
----------	----------------

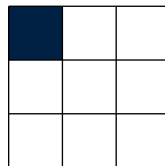
Portfolio Analysis as of January 31, 2019

Asset Mix



	% Assets
Cash	0.0
Fixed Income	0.0
Canadian Equity	0.0
US Equity	98.1
International Equity	1.9
Other	0.0

Equity Style



Value Blend Growth

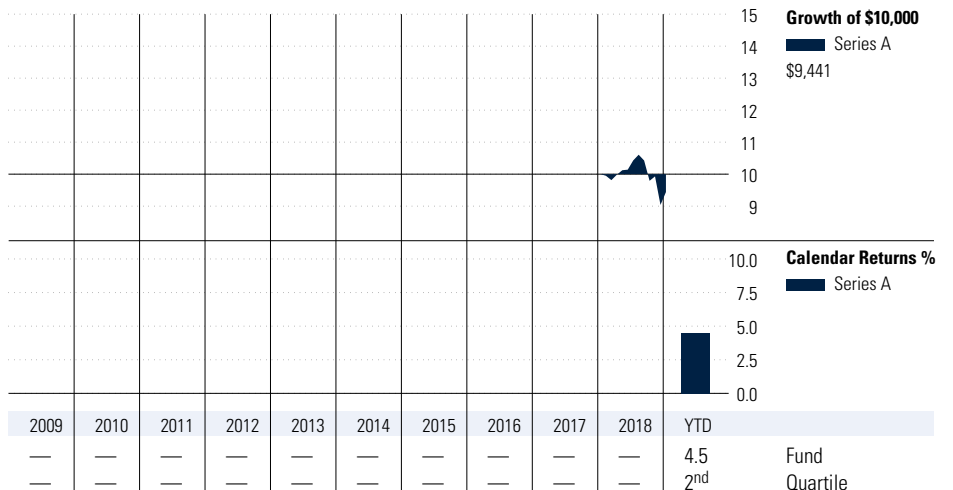
Equity Statistics

P/B Ratio	2.1
P/E Ratio	11.4
Avg. Mkt Cap. \$B	39.4

Global Equity Sectors

	% Equity
Financials	33.3
Information Technology	17.1
Industrials	12.2
Consumer Discretionary	11.7
Energy	9.9
Health Care	6.2
Consumer Staples	5.5
Communication Services	2.9
Materials	1.2
Utilities	0.0
Real Estate	0.0
Unclassified	0.0

Performance Analysis as of January 31, 2019



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Fund	4.5	-3.6	-9.5	-5.6	—	—	—	-7.5	Fund
Quartile	2 nd	4 th	4 th	4 th	—	—	—	—	Quartile
No. of Funds in Category	1572	1566	1514	1476	1057	721	299	—	No. of Funds in Category



RBC O'Shaughnessy U.S. Value Fund (Unhedged)

Management Overview

Manager Bios

Jim P. O'Shaughnessy

O'Shaughnessy Asset Management

Jim O'Shaughnessy is the Chairman of O'Shaughnessy Asset Management (OSAM). Also serving as the Chief Investment Officer of the firm, Jim is ultimately responsible for OSAM's investment strategies. He directs the Senior Portfolio Manager, Director of Research, and the Portfolio Management Team and helps to set the agenda for the team. He is also responsible for the development of OSAM's existing strategies and directs the team on idea generation and specific initiatives to improve the models and develop new factors and products.

Patrick O'Shaughnessy

O'Shaughnessy Asset Management

Patrick O'Shaughnessy is the Chief Executive Officer at O'Shaughnessy Asset Management (OSAM). Patrick oversees the day-to-day business of the firm, directing OSAM's initiatives in the areas of research and portfolio management, investor education and client service and relationships. He also serves as a Portfolio Manager. Prior to his role as CEO, Patrick spent 11 years on OSAM's Research & Portfolio Management team, working to improve the firm's investment strategies.

Performance Analysis Cont'd as of January 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.11	—	—	—	—	—	—	—	—	—
Interest	—	0.02	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.08	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	1-2019	-5.6	—	—	—	—	—	—
Worst	1-2019	-5.6	—	—	—	—	—	—
Average		-5.6		—		—		—
No. of Periods		1		—		—		—
Pct. Positive		0.0		—		—		—

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

Quarterly Commentary as at December 31, 2018

Mega-cap stocks dominated during the fourth quarter of 2018; our underweight in them in these stocks was the primary detractor from performance. Our key selection factor of Shareholder Yield favors large-cap rather than mega-cap stocks, and this caused the factor to underperform. We own more of the stocks that qualify the most frequently, most recently, and have the highest-ranking overall factor profile according to our process. We were overweight poor-performing positions, which hurt relative performance. Exposure to stocks with better Earnings Growth underperformed as stocks with the lowest-ranked Earnings Growth led for the quarter.

From a sector perspective, allocation effects were negative and selection effects were negative. Having no exposure to Utilities and REITs were the top detractors from allocation effects as these sectors held up better in the market downturn. Meanwhile, an overweight in the Consumer Staples and Information Technology sectors were the top contributors. Selection within the Financials and Energy sectors were the largest

detractors from selection effects.

It is the policy of the Fund to not neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar through currency hedges. This policy had a positive effect on performance during the period.

Based on our key themes and decades of testing, we believe the U.S. Value (Unhedged) fund is well-positioned relative to the overall market. The portfolio's companies have higher levels of return-on-capital, lower reliance on external financing, and trade at deep discounts across several valuation factors. They are also returning capital to shareholders.

We believe that the portfolio continues to represent a unique take on the U.S. market. As the year progresses, we will continue to focus on our niche of the market: quality companies, often trading at out-of-favor prices that are aggressively returning capital to equity shareholders through dividends and share repurchases.



RBC O'Shaughnessy U.S. Value Fund (Unhedged)

Disclosure

RBC Funds, BlueBay Funds, PH&N Funds and RBC Corporate Class Funds are offered by RBC Global Asset Management Inc. and distributed through authorized dealers.

Commissions, trailing commissions, 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. Mutual funds are not guaranteed or covered by the Canadian Deposit Insurance Corporation or by any other government deposit insurer. For money market funds, there can be no assurances that the fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment in the fund will be returned to you. The value of mutual funds change frequently and past performance may not be repeated.

This document has been compiled by RBC Global Asset Management Inc. (RBC GAM) from sources believed to be reliable, but no representations or warranty, express or implied, are made by RBC GAM, its affiliates

or any other person as to its accuracy, completeness or correctness. All opinions and estimates constitute RBC GAM's judgment as of the date of this document, are subject to change without notice and are provided in good faith but without legal responsibility. The Top Ten/25 Holdings may change due to ongoing portfolio transactions within the fund. The Prospectus and other information about the underlying investment funds are available at www.sedar.com.

MER (%) for RBC Funds, 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.

Series H and Series I are not available for purchase by new investors. Existing investors who hold Series H or Series I units can continue to make additional investments into the same series of the funds they hold.

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.

The fund profile is provided for informational purposes only. Particular investments and/or trading strategies should be evaluated relative to each individual's investment objectives. The information contained in the fund profile is not, and should not be construed as, investment or tax advice. You should not act or rely on the information contained in the fund profile without seeking the advice of an appropriate professional advisor.

Quartile rankings are determined by Morningstar Research Inc., an independent research firm, based on categories maintained by the Canadian Investment Funds Standards Committee (CIFSC). Quartile rankings are comparisons of the performance of a fund to other funds in a particular category and are subject to change monthly. The quartiles divide the data into four equal segments expressed in terms of rank (1, 2, 3 or 4). This is the Morningstar quartile ranking of Series A and F units of the Fund as of January 31, 2019.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2019