



# RBC Asian Equity Fund

## Investment Objective

To provide long-term capital growth by investing primarily in equity securities of companies located or having a principal business interest in Asian markets either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF170
Adv	Deferred Sales	CAD	RBF863
Adv	Front End	CAD	RBF772
Adv	Low Load	CAD	RBF175

Inception Date	July 2002
Total Fund Assets \$Mil	78.1
Series A NAV \$	12.50
Series A MER %	2.00
Benchmark	MSCI AC Asia Pacific Total Return Net Index (CAD)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

Fund Category	Asia Pacific Equity
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Management Company	RBC Global Asset Management Inc.
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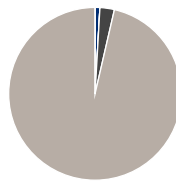
Web Site	www.rbcgam.com
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## Notes

Fund's investment objective changed effective June 23, 2014.

## Portfolio Analysis as of September 30, 2018

### Asset Mix

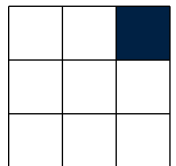


	% Assets
Cash	0.9
Fixed Income	0.0
Canadian Equity	0.0
US Equity	2.7
International Equity	96.4
Other	0.0

### Top 25 Holdings

	% Assets
Tencent Holdings Ltd	3.8
Taiwan Semiconductor Manufacturing	3.7
SoftBank Group Corp	2.9
Samsung Electronics Co Ltd	2.5
CSL Ltd	2.4
Ping An Insurance (Group) Co of China H	2.2
AIA Group Ltd	1.9
HDFC Bank Ltd	1.8
Bank Of China Ltd H	1.7
Commonwealth Bank of Australia	1.4
Shinhan Financial Group Co Ltd	1.4
Korea Electric Power Corp	1.4
Mitsubishi Corp	1.3
Mitsubishi UFJ Financial Group Inc	1.2
Baozun Inc ADR	1.2
Sumitomo Mitsui Financial Group Inc	1.2
Mizuho Financial Group Inc	1.2
IMAX China Holding Inc	1.2
Suzuki Motor Corp	1.1
PeptiDream Inc	1.1
Sony Corp	1.1
Metropolitan Bank & Trust Company	1.0
Challenger Ltd	1.0
Hong Kong Exchanges and Clearing Ltd	1.0
Shenzhou International Group Hldgs Ltd	1.0
<b>Total % of Top 25 Holdings</b>	<b>41.7</b>
<b>Total Number of Stock Holdings</b>	<b>136</b>
<b>Total Number of Bond Holdings</b>	<b>0</b>
<b>Total Number of Other Holdings</b>	<b>1</b>
<b>Total Number of Holdings</b>	<b>137</b>

### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	1.8
P/E Ratio	16.1
Avg. Mkt Cap. \$B	26.9

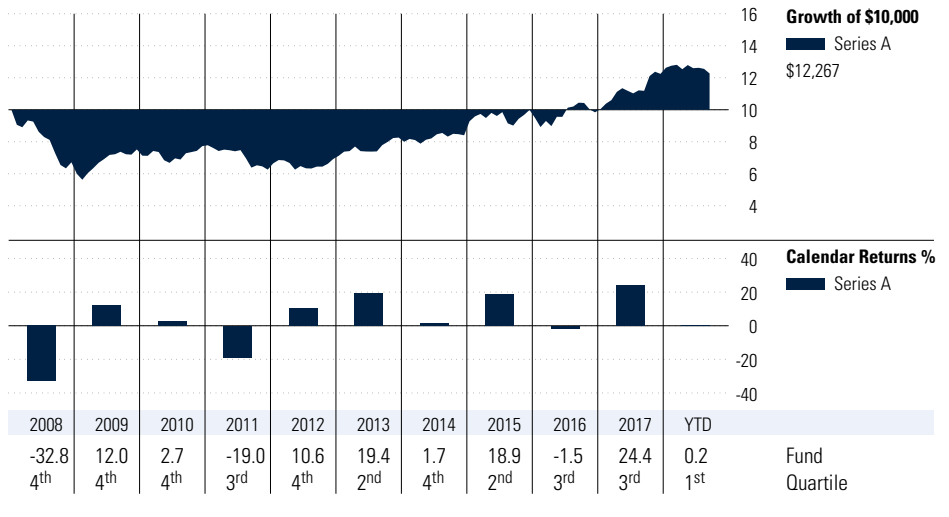
### Top 5 Sectors

	% Equity
Financials	22.2
Information Technology	15.7
Consumer Discretionary	15.3
Communication Services	14.7
Health Care	10.5

### Geographic Allocations

	% Assets
Japan	38.1
China	17.0
South Korea	10.0
India	8.3
Australia	8.0

## Performance Analysis as of September 30, 2018



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	-2.3	-2.6	-4.2	9.7	10.8	9.5	5.3	3.3	Fund
	4 <sup>th</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	—	Quartile
	53	53	52	52	37	35	28	—	No. of Funds in Category



# RBC Asian Equity Fund

## Management Overview

### Manager Bios

#### Mayur Nallamala

#### RBC Investment Management (Asia) Limited

Mayur Nallamala is Senior Portfolio Manager and the Head of Asian Equities. He has been in the investment industry since 1998, and prior to joining the firm in 2013 was a portfolio manager at JP Morgan Asset Management in Hong Kong. He was responsible for Asia Pacific ex-Japan mandates managing assets on behalf of sovereign wealth, institutional and retail clients around the world. He spent his early career at Chase Futures & Options in London and at ABN AMRO in Hong Kong. Mayur holds a Bachelor of Science from the London School of Economics.

### Performance Analysis Cont'd as of September 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	—	—	0.07	0.03	0.02	0.04	0.00	—	—	—
Interest	—	—	—	0.07	0.03	0.02	0.04	0.00	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	3-2004	45.4	4-2006	22.6	10-2017	13.4	9-2018	5.3
Worst	11-2008	-39.4	2-2009	-15.5	7-2012	-9.9	7-2012	-1.2
Average		6.1		4.7		3.3		1.5
No. of Periods		183		159		135		75
Pct. Positive		70.5		69.2		60.7		88.0

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

### Quarterly Commentary as at September 30, 2018

The Fund's allocation to Asian equities excluding Japan had a negative impact on overall returns, while the Japan-only holding contributed positively to portfolio performance.

China was the worst-performing equity market in Asia during the three-month period. Regional equity markets slumped after the U.S. imposed a further US\$200 billion in tariffs on Chinese-made goods. The Indian market also lagged amid weakness in the local currency and concerns that global trade tensions would hamper growth in Asia's third-largest economy. Japanese stocks gained, following the pattern of developed-market outperformance.

In the Asia-Pacific portion of the Fund, returns were bolstered by exposure to Fabrinet, a Thailand-based manufacturer of optical and automotive components, while India's Yes Bank held back returns. In the Japanese segment, technology investor Softbank Group contributed positively to performance, while Zozo, a maker of custom-fit clothes, had a negative impact on

portfolio returns.

We expect Chinese economic growth to decelerate on softer housing-market activity. To offset the impact of real estate weakness, Chinese policymakers have introduced measures to boost domestic demand, including tax cuts and fiscal spending on infrastructure, as well as looser monetary policy. However, we expect market volatility to remain elevated in the near term on risks of an escalated trade war between the U.S. and China. As for Japan, economic growth should rebound strongly barring the return of the severe weather experienced in recent months. The Japanese economy remains sound, with confidence among business and consumers holding firm. Japanese companies are pushing ahead with capital expenditures as higher sales and profit projections have so far offset the impact of rising trade tensions. We expect the Bank of Japan to keep monetary policy steady while maintaining an optimistic view on the economic outlook.



# RBC Asian Equity Fund

## 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.

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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](http://www.sedar.com).

MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the half-year period, January 1 to June 30, 2018, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full year period, April 1, 2017 to March 31, 2018.

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 September 30, 2018.

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