



# RBC U.S. Equity Fund

## Investment Objective

To provide long-term capital growth by investing in equity securities of U.S. companies to provide broad exposure to economic growth opportunities in the U.S. market.

The portfolio consists of well-diversified large-cap growth and value stocks, with selective, strategic exposure to some mid-cap stocks. The investment team uses a time-tested, multi-disciplined stock selection approach that combines fundamental, quantitative and technical analyses in order to develop a well-rounded portfolio. Selected non-core growth companies are held to augment core holdings.

## Fund Details

Series	Currency	Fund Code
0	CAD	RBF184
0	USD	RBF10449

Inception Date	September 2006
Total Fund Assets \$Mil	2,108.2
Benchmark	S&P 500 Total Return Index (C\$)

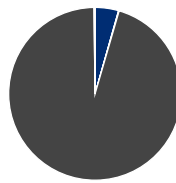
## Notes

Performance Analysis is in CAD and for CAD Series 0 Fund (RBF184).

This is a continuing fund resulting from a merger effective November 27, 2015.

## Portfolio Analysis as of April 30, 2019

### Asset Mix



	% Assets
Cash	4.4
Fixed Income	0.0
Canadian Equity	0.1
US Equity	95.3
International Equity	0.2
Other	0.0

### Top 10 Holdings

	% Assets
Microsoft Corp	4.5
Amazon.com Inc	3.6
Alphabet Inc A	3.5
Apple Inc	3.3
Bank of America Corporation	2.4
JPMorgan Chase & Co	2.1
UnitedHealth Group Inc	2.0
Facebook Inc A	2.0
Johnson & Johnson	1.9
Cisco Systems Inc	1.6
Total % of Top 10 Holdings	26.9
Total Number of Stock Holdings	402
Total Number of Bond Holdings	0
Total Number of Other Holdings	4
<b>Total Number of Holdings</b>	<b>406</b>

### Equity Style

	Large	Mid	Small
Value	31	28	33
Blend	1	3	3
Growth	0	1	0

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

### Equity Statistics

P/B Ratio	3.3
P/E Ratio	18.5
P/FCF	9.9
P/S	2.1
Avg. Mkt Cap. \$B	184.8
Dividend Yield	1.8

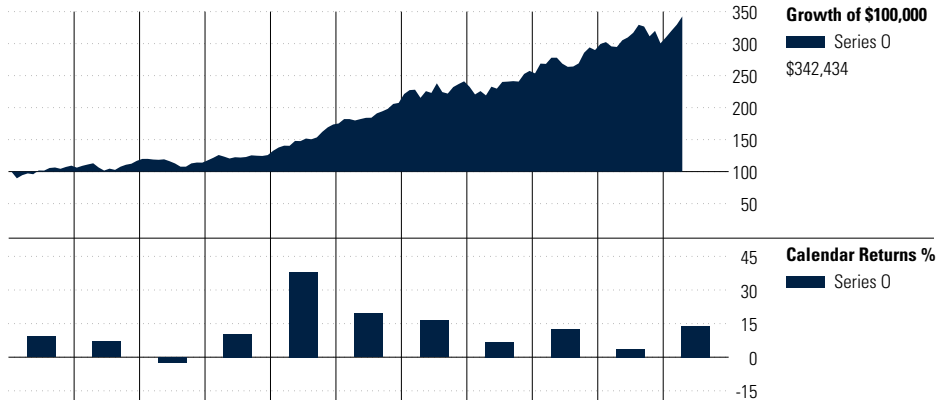
### Top 5 Equity Sectors

	% Equity
Information Technology	23.3
Health Care	16.9
Financials	11.9
Communication Services	11.1
Consumer Discretionary	10.6
% in Top 5 Equity Sectors	73.8

### Risk Measures

	Fund	Benchmark
3 Year Std Dev	10.4	10.5
5 Year Std Dev	11.1	11.0

## Performance Analysis as of April 30, 2019



Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD	
Fund	9.3	6.9	-2.5	10.4	38.0	19.4	16.3	6.7	12.6	3.6	14.0	Fund
Benchmark	9.3	9.2	4.3	13.1	41.6	24.3	20.7	8.6	14.1	3.8	16.0	Benchmark
1 Mth	3.9	10.5	10.0	16.2	16.1	13.7	13.4	8.7	<b>Trailing Return %</b>			
3 Mth	4.3	11.6	11.7	18.4	17.4	16.2	16.7	—	Fund			
6 Mth									Benchmark			
1 Yr												
3 Yr												
5 Yr												
10 Yr												
Since Incep.												



# RBC U.S. Equity Fund

## Management Overview

### Manager Bios

#### Brad Willock

#### RBC Global Asset Management Inc.

Brad Willock joined RBC in May 1996 and RBC Global Asset Management in July 2002. In his current role, he is responsible for core and income-oriented U.S. equity mandates. Brad has a Bachelor of Commerce and a Bachelor of Science, and is a CFA charterholder.

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

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	2.60	2.17	0.46	8.31	4.46	0.38	0.47	0.27	0.28	0.14
Interest	—	0.60	0.55	0.46	1.68	0.58	0.38	0.47	0.27	0.28	0.14
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	2.01	1.62	—	6.63	3.88	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2013	38.0	7-2015	24.9	11-2017	18.8	2-2019	13.6
Worst	5-2009	-26.5	6-2010	-8.9	12-2011	-3.0	1-2017	6.4
Average		8.8		10.5		11.9		9.3
No. of Periods		140		116		92		32
Pct. Positive		80.0		78.4		82.6		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, asset weighting in Financials and Materials sectors were the primary contributor to returns. As it relates to individual securities, the fund benefited from an overweight position of Baxter International in the Health Care sector as its shares advanced following strong financial results from their pharmaceutical and advanced surgery units. In addition, the fund benefited from its overweight position of Progressive within the Financials sector as the company which offers personal and commercial automobile insurance reported solid earnings driven by its underwriting margins.

Conversely, sector allocation and security selection

in Health Care weakened relative performance. Specifically, the Fund's overweight position in CVS Health was a drag on performance as the company's stock price fell after they delivered a pessimistic 2019 outlook, citing rising costs and poor results from its 2015 takeover of pharmacy company Omnicare.

Looking forward, the profit 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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## Disclosure

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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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