



RBC U.S. Dividend Fund

Investment Objective

To achieve long-term capital growth and regular dividend income by investing primarily in common and preferred securities of U.S. companies with above average dividend yields.

The investment team aims to build a portfolio designed to preserve capital during down markets, while providing investors with long-term wealth generation through dividend and capital growth. The investment team is able to adjust sector exposure depending on market conditions in order to help minimize downside risk in volatile markets. Up to 20% of the portfolio can be invested in fixed income in order to give the portfolio more defensive characteristics.

Fund Details

Series	Currency	Fund Code
0	CAD	RBF192
0	USD	RBF10541

Inception Date	October 2007
Total Fund Assets \$Mil	4,520.6
Benchmark	S&P 500 Total Return Index (CAD)

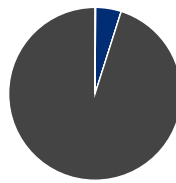
Notes

Performance Analysis is in CAD and for CAD series 0 fund (RBF192).

This is a continuing fund resulting from a merger effective June 27, 2014.

Portfolio Analysis as of April 30, 2019

Asset Mix



	% Assets
Cash	4.9
Fixed Income	0.0
Canadian Equity	0.0
US Equity	95.2
International Equity	-0.1
Other	0.0

Top 10 Holdings

	% Assets
Microsoft Corp	5.4
Apple Inc	3.7
Cisco Systems Inc	3.3
JPMorgan Chase & Co	3.0
Bank of America Corporation	3.0
Broadcom Inc	2.9
Texas Instruments Inc	2.6
Intel Corp	2.5
UnitedHealth Group Inc	2.3
Anthem Inc	2.2
Total % of Top 10 Holdings	30.8
Total Number of Stock Holdings	210
Total Number of Bond Holdings	0
Total Number of Other Holdings	6
Total Number of Holdings	216

Equity Style

	Value	Blend	Growth
Large	41	40	16
Mid	1	1	0
Small	0	0	0

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

Equity Statistics

P/B Ratio	3.2
P/E Ratio	16.3
P/FCF	9.2
P/S	2.0
Avg. Mkt Cap. \$B	192.8
Dividend Yield	2.5

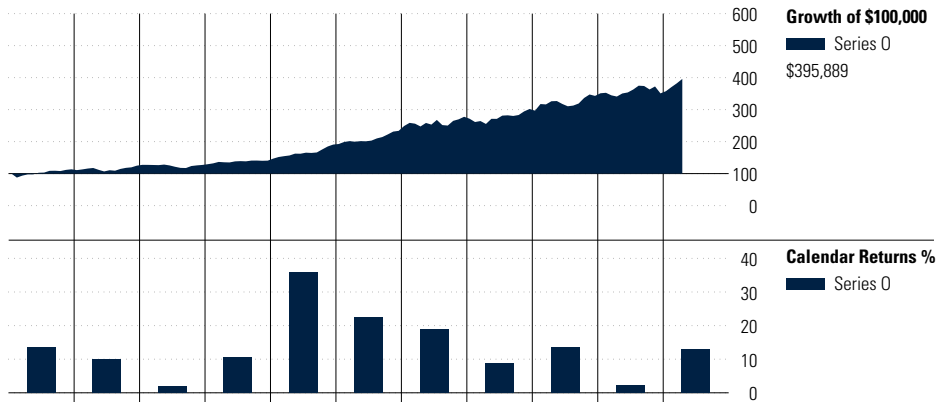
Top 5 Equity Sectors

	% Equity
Information Technology	27.8
Health Care	17.1
Financials	11.9
Consumer Discretionary	8.5
Consumer Staples	7.7
% in Top 5 Equity Sectors	72.9

Risk Measures

	Fund	Benchmark
3 Year Std Dev	9.6	10.5
5 Year Std Dev	10.4	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 %	13.4	10.0	1.8	10.6	35.8	22.5	18.8	8.8	13.6	2.3	12.9		
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		
Trailing Return %	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.					
	3.6	10.7	9.1	16.2	15.8	14.7	15.0	9.6	Fund				
	4.3	11.6	11.7	18.4	17.4	16.2	16.7	—	Benchmark				



RBC U.S. Dividend 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	0.22	1.73	1.33	0.92	1.67	3.16	1.00	0.32	—	0.08	0.25
Interest	0.22	0.67	0.65	0.60	0.51	0.47	0.43	0.29	—	0.08	0.03
Dividends	—	—	—	—	—	—	—	0.03	—	—	0.22
Capital Gains	—	1.07	0.68	0.31	1.16	2.69	0.57	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2013	35.8	12-2015	25.5	11-2017	19.9	2-2019	15.5
Worst	2-2009	-31.1	10-2010	-4.5	11-2012	0.6	10-2017	9.5
Average		11.3		13.9		15.2		12.1
No. of Periods		127		103		79		19
Pct. Positive		90.6		89.3		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 first quarter of 2019, security selection within Consumer Staples boosted the relative performance of the Fund. In particular, our overweight position in Philip Morris was the largest driver on the back of the company reporting strong financial results during the quarter. In addition, the fund benefited from an overweight position in Cisco within the Information Technology sector. Shares in the IP networking company advanced as it reported strong earnings and displayed a willingness to return capital to investors through increased dividends and its share buyback program.

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.



RBC U.S. Dividend Fund

Disclosure

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

Series O units are available to individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM. No management fees are payable by the fund in respect of Series O units. Unitholders of Series O units pay a negotiated fee directly or indirectly to RBC GAM.

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 fund securities are not guaranteed or covered by the Canada 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, 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.

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.

Phillips, Hager & North Investment Management (PH&N IM) is a division of RBC Global Asset Management Inc. (RBC GAM). RBC GAM is the manager of PH&N Funds and the principal portfolio adviser for PH&N Funds. The principal distributor of PH&N Funds is Phillips, Hager & North Investment Funds Ltd. (PH&NIF), which uses the trade name PH&N Investment Services. RBC GAM is an indirect, wholly-owned subsidiaries of Royal Bank of Canada.

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