



RBC Canadian Small & Mid-Cap Resources Fund

Investment Objective

The fund invests primarily in small- and mid-cap equity securities of companies listed on an exchange in Canada within the Energy and Materials sector. The fund may invest no more than 10% of its assets in foreign securities.

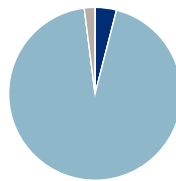
The investment team has the flexibility to choose between energy and materials exposure and focuses on alpha generation. The team seeks well-managed low-cost producers with rising returns on invested capital, sound financial positions, and an ability to finance future growth plans. Valuations are considered under a broad range of commodity price scenarios to identify undervalued companies.

Fund Details

Series	Currency	Fund Code
0	CAD	RBF247
Inception Date		
		October 2013
Total Fund Assets \$Mil		
		241.0
Benchmark		
		S&P/TSX SmallCap Index (CAD)

Portfolio Analysis as of April 30, 2019

Asset Mix



	% Assets
Cash	4.0
Fixed Income	0.0
Canadian Equity	94.0
US Equity	0.0
International Equity	2.0
Other	0.0

Top 10 Holdings

	% Assets
Parex Resources Inc	8.9
Methanex Corp	7.6
Tourmaline Oil Corp	6.5
Enerplus Corp	6.0
Lundin Mining Corp	5.9
Vermilion Energy Inc	5.1
West Fraser Timber Co.Ltd	4.3
Hudbay Minerals Inc	3.7
Enerflex Ltd	3.3
Seven Generations Energy Ltd	2.9
Total % of Top 10 Holdings	54.2
Total Number of Stock Holdings	33
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	34

Equity Style

	Value	Blend	Growth
Large	0	0	0
Mid	0	27	21
Small	15	17	21

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

Equity Statistics

P/B Ratio	1.0
P/E Ratio	13.4
P/FCF	3.2
P/S	1.2
Avg. Mkt Cap. \$B	2.7
Dividend Yield	1.9

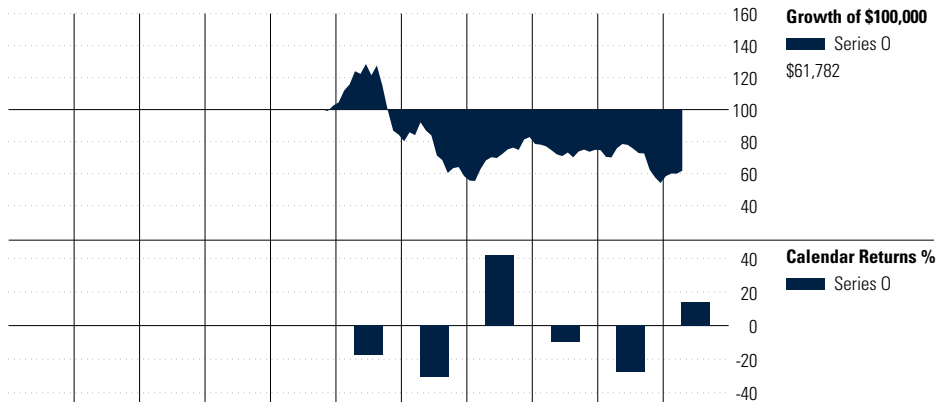
Top 5 Equity Sectors

	% Equity
Energy	61.5
Materials	37.9
Industrials	0.6
Consumer Discretionary	0.0
Consumer Staples	0.0
% in Top 5 Equity Sectors	100.0

Risk Measures

	Fund	Benchmark
3 Year Std Dev	16.0	11.1
5 Year Std Dev	21.1	14.4

Performance Analysis as of April 30, 2019



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD	
Growth of \$100,000	—	—	—	—	—	-17.7	-30.7	41.8	-9.6	-27.7	14.1	Fund
Calendar Returns %	—	—	—	—	—	-2.3	-13.3	38.5	2.8	-18.2	10.4	Benchmark
1 Mth	3.0	5.7	-1.2	-18.5	-3.3	-13.0	—	-7.6	—	—	—	Trailing Return %
3 Mth	-0.3	2.6	2.3	-6.8	1.8	-0.6	—	—	—	—	—	Fund
6 Mth												Benchmark
1 Yr												
3 Yr												
5 Yr												
10 Yr												
Since Incep.												



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Management Overview

Manager Bios

Chris Beer

RBC Global Asset Management Inc.

Chris Beer is Vice President and Senior Portfolio Manager, Canadian and Global Equities. He has been in the investment industry since 1993.

Brahm Spilfogel

RBC Global Asset Management Inc.

Brahm Spilfogel is Vice President and Senior Portfolio Manager, Global Equities. He has been in the investment industry since 1991.

Performance Analysis Cont'd as of April 30, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.11	0.08	0.10	0.17	0.84	0.11	—	—	—	—
Interest	—	0.01	0.00	—	0.00	0.00	0.00	—	—	—	—
Dividends	—	0.10	0.07	0.10	0.17	0.22	0.04	—	—	—	—
Capital Gains	—	—	—	—	—	0.63	0.07	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2016	41.8	9-2018	6.3	10-2018	-9.0	—	—
Worst	9-2015	-47.6	8-2017	-18.1	4-2019	-13.0	—	—
Average		-9.0		-5.8		-11.3		
No. of Periods		55		31		7		
Pct. Positive		34.5		16.1		0.0		

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

Quarterly Commentary as at March 31, 2019

Energy commodities started 2019 with strength, rebounding from the Q4 lows. The strength in crude-oil prices was precipitated by OPEC's decision to reduce production, positive expectations from Chinese/U.S. trade talks, and optimism over Chinese stimulus. Quarter-over-quarter, spot West Texas Intermediate (WTI) oil prices increased 32%, bouncing off last quarter's low of \$45.40 per barrel. Natural Gas had a spike early in the quarter as lower inventories, and cold weather helped the price of the commodity. The spike however, was followed by warmer weather, and improved production that had the commodity end the quarter down 9.5%.

On the security side, performance was positively impacted by its exposure to Exploration and Production companies like Baytex Energy and Parex Resources. Decisions around Crescent Point Energy and Shawcor Ltd offset some of the positive performance in the quarter.

Materials started 2019 with strength as Iron Ore (up 20.6%), Zinc (up 18.5%), Copper (up 9%), Lumber (up 8.3%) and Gold (up 77bps) helped the

Materials portion of the Fund outperform the benchmark. Supply tightness in Iron Ore, along with optimism over U.S./Chinese trade discussions, seasonality, and Chinese stimulus helped Base metals and Bulk Commodities strengthen over the period.

Overweight positions in Iron Ore producers Champion Iron, Labrador Iron Ore Royalty, and Copper producer Hudbay Minerals added to relative performance. Partially offsetting this positive performance were overweights in lumber producer West Fraser Timber and Tape producer Intertape Polymer.

President Trump's waiver on Iranian oil exports is set to expire in June. The waiver, which was issued in late 2018, led to an OPEC decision to cut daily production by 1.2 million barrels to better balance the supply/demand dynamics. There is a strong possibility that President Trump does not issue a waiver, which will put the oil market into a deficit, which should continue to bode well for the commodity and stocks.



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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.

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