



# RBC Canadian Dividend Fund

## Investment Objective

To achieve long-term total returns consisting of regular dividend income, which benefits from the preferential tax treatment given to dividend income, and modest long-term capital growth. The fund invests primarily in common and preferred shares of major Canadian companies with above average dividend yields.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF266
A	No Load	USD	RBF405
Adv	Front End	CAD	RBF759
Adv	Low Load	CAD	RBF107
Adv	Low Load	USD	RBF4405
Adv T5	Front End	CAD	RBF777
Adv T5	Low Load	CAD	RBF071
T5	No Load	CAD	RBF538
T8	No Load	CAD	RBF598

Inception Date	January 1993
Total Fund Assets \$Mil	18,501.0
Series A NAV \$	71.64
Series A MER %	1.76
Benchmark	S&P/TSX Capped Composite Total Return Index

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

Fund Category	Canadian Dividend and Income Equity
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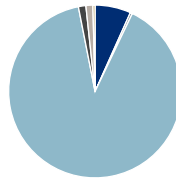
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

## Notes

Performance Analysis is in CAD and for CAD series A fund (RBF266).

## Portfolio Analysis as of January 31, 2018

### Asset Mix

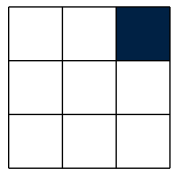


	% Assets
Cash	6.7
Fixed Income	0.4
Canadian Equity	89.8
US Equity	1.4
International Equity	1.3
Other	0.4

### Top 10 Holdings

	% Assets
Royal Bank of Canada	8.4
The Toronto-Dominion Bank	7.6
Bank of Nova Scotia	6.2
Canadian National Railway Co	4.6
Brookfield Asset Management Inc Class A	4.0
Bank of Montreal	3.9
CIBC	3.2
TransCanada Corp	2.9
Enbridge Inc	2.8
Manulife Financial Corp	2.7
Total % of Top 10 Holdings	46.2
Total Number of Stock Holdings	80
Total Number of Bond Holdings	0
Total Number of Other Holdings	9
<b>Total Number of Holdings</b>	<b>89</b>

### Equity Style



Value Blend Growth

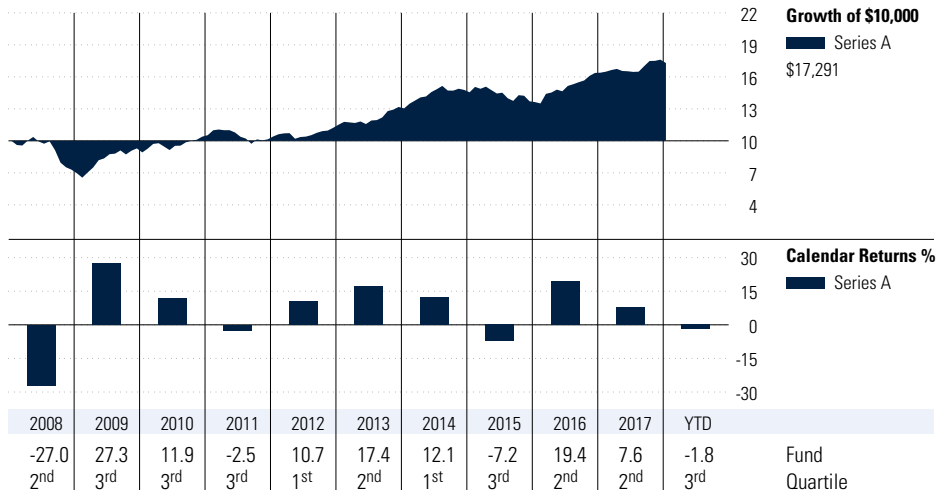
### Equity Statistics

P/B Ratio	1.7
P/E Ratio	15.7
Avg. Mkt Cap. \$B	39.6

### Global Equity Sectors

	% Equity
Financials	48.2
Energy	19.0
Industrials	8.9
Utilities	4.7
Telecommunication Services	4.6
Consumer Staples	4.1
Materials	3.7
Consumer Discretionary	3.3
Real Estate	2.7
Health Care	0.8
Unclassified	0.0
Information Technology	0.0

## Performance Analysis as of January 31, 2018



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
-1.8	-1.1	5.0	5.5	5.9	8.5	6.1	10.4	Fund
3 <sup>rd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	—	Quartile
555	552	539	517	409	313	161	—	No. of Funds in Category



# RBC Canadian Dividend Fund

## Management Overview

### Manager Bios

#### Stuart Kedwell

##### RBC Global Asset Management Inc.

Stuart Kedwell is Senior Vice President and Co-Head, North American Equities. He has been in the investment industry since 1997.

#### Doug Raymond

##### RBC Global Asset Management Inc.

Doug Raymond is Senior Vice President and Co-Head, North American Equities. He has been in the investment industry since 1985.

#### Sean McCurley

##### RBC Global Asset Management Inc.

Sean is Portfolio Manager and North American Equities Research Analyst. Sean holds a Bachelor of Arts from McGill University and MBA from Rotman School of Management, and is a CFA charterholder.

#### Jonathan Millman

##### RBC Global Asset Management Inc.

Jonathan is Portfolio Manager and Analyst for the North American equities team, responsible for the Consumer Discretionary, Consumer Staples, Health Care and Utilities sectors. He holds a Bachelor of Arts in Economics from Wilfrid Laurier University and is a CFA charterholder.

### Performance Analysis Cont'd as of January 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.71	0.86	0.68	1.32	0.60	0.65	0.54	0.66	0.66	0.47
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	0.71	0.86	0.68	0.60	0.60	0.55	0.54	0.66	0.66	0.47
Capital Gains	—	—	—	—	0.72	—	0.10	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

### Best/Worst Periods %

	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	7-1997	51.3	3-1998	29.9	3-1998	21.1	3-2006	15.9
Worst	2-2009	-31.9	2-2009	-9.1	5-2012	-0.3	2-2016	4.5
Average		11.1		11.1		10.9		10.2
No. of Periods		289		265		241		181
Pct. Positive		79.2		91.7		99.6		100.0

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

### Quarterly Commentary as at December 31, 2017

The Canadian stock market lagged most other major equity markets during 2017. The index was held back by the Energy sector, appreciation in the Canadian dollar and concern that the economy lacks a growth driver to offset a potential slowing of the housing market. Furthermore, market sentiment continues to be hurt by ongoing uncertainty regarding the NAFTA.

The Bank of Canada surprised markets this year by shifting to a hawkish stance, hiking rates twice on the back of strong economic growth. However, the Canadian economy is not without risks. In addition to housing concerns, items that may impact Canada's competitiveness include protectionism, increasing taxes, tougher labour laws, stricter environmental standards, rising electricity costs and access to the global energy markets.

During the quarter, the Fund's relative performance was boosted by the Energy and Utilities sectors, while Information Technology was a drag.

In Energy, security selection, primarily the

overweight position in Enbridge, aided returns. Following Enbridge's merger with Spectra Energy early in 2017, a number of concerns persisted regarding the company's balance sheet. During Q4, the company developed a plan to address these concerns, relieving the overhang on the stock.

The Utilities sector benefitted from the exclusion of Canadian Utilities and Just Energy Group as both stocks declined.

Conversely, the exclusion of Constellation Software and Open Text weighed on returns in the Information Technology sector.

Global stock markets continue to be supported by the synchronized global expansion and better-than-expected corporate profit growth around the world, but the recent rally has pushed equities closer to fair value. Without support from rising valuations, further gains in stocks will likely be paced by corporate profit growth.



# RBC Canadian Dividend 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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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, 2017, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the half-year period, April 1, to September 30, 2017, expressed on an annualized basis.

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, 2018.

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