



# RBC International Equity Fund

## Investment Objective

To provide long-term capital growth by investing primarily in equity securities of companies outside of North America. The fund provides exposure to economies that offer different business cycles and growth opportunities than North American markets.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF268
A	No Load	USD	RBF411
Adv	Deferred Sales	CAD	RBF862
Adv	Front End	CAD	RBF771
Adv	Low Load	CAD	RBF173
Adv	Low Load	USD	RBF4411
T5	No Load	CAD	RBF5268

Inception Date	January 1993
Total Fund Assets \$Mil	966.6
Series A NAV \$	19.10
Series A MER %	2.15
Benchmark	MSCI EAFE Total Return Net Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

Fund Category	International 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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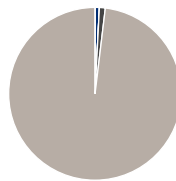
## Notes

Performance Analysis is in CAD and for CAD series A fund (RBF268).

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

## Portfolio Analysis as of January 31, 2019

### Asset Mix

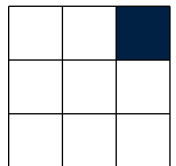


	% Assets
Cash	0.8
Fixed Income	0.0
Canadian Equity	0.0
US Equity	1.1
International Equity	98.1
Other	0.0

### Top 10 Holdings

	% Assets
Unilever PLC	4.4
RELX PLC	4.0
Diageo PLC	3.8
CSL Ltd	3.5
Roche Holding AG Dividend Right Cert.	3.5
London Stock Exchange Group PLC	3.0
Heineken NV	2.9
Novo Nordisk A/S B	2.9
SoftBank Group Corp	2.9
Sika AG Registered Shares	2.5
Total % of Top 10 Holdings	33.4
Total Number of Stock Holdings	73
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>74</b>

### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	2.2
P/E Ratio	15.7
Avg. Mkt Cap. \$B	44.3

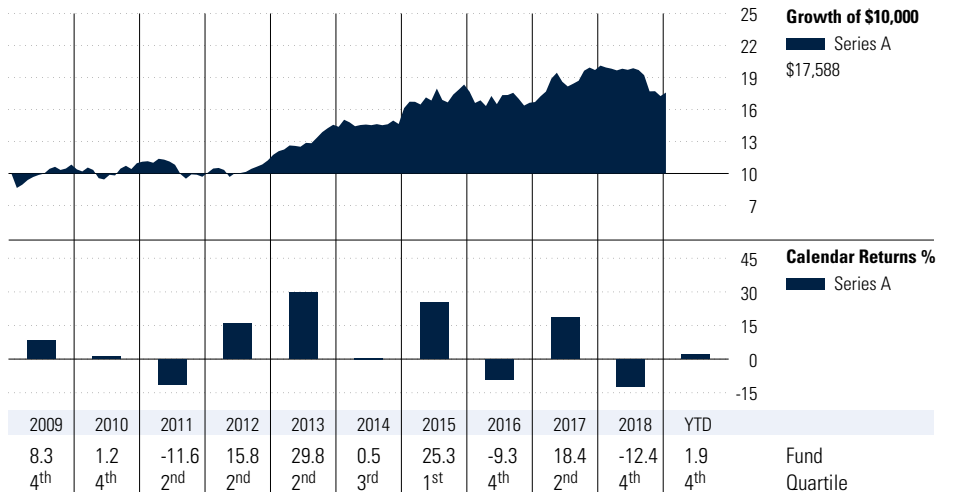
### Top 5 Sectors

	% Equity
Health Care	19.7
Financials	17.7
Consumer Staples	16.8
Industrials	13.1
Consumer Discretionary	10.9

### Geographic Allocations

	% Assets
United Kingdom	32.1
Japan	20.0
Switzerland	7.5
Australia	6.6
Germany	5.9

## Performance Analysis as of January 31, 2019



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	1.9	-0.6	-11.5	-12.6	-0.2	4.1	6.7	3.6	Fund
	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	—	Quartile
	675	671	639	611	424	321	178	—	No. of Funds in Category



# RBC International Equity Fund

## Management Overview

### Manager Bios

#### Dominic Wallington

##### RBC Global Asset Management (UK) Limited

Dominic has worked in the investment industry since 1991 and has been a portfolio manager since 1993. Prior to joining RBC Global Asset Management (UK) Limited, he worked for Invesco Perpetual. Between 2002 and July 2007, Dominic ran several Continental European equity funds for individual investors and institutions. He has a Masters in Finance and Investment from the University of Exeter. Dominic also holds the Securities Institute Diploma and is a Fellow of the Securities Institute.

#### David Lambert

##### RBC Global Asset Management (UK) Limited

David is a Portfolio Manager with the European Equity team of RBC Global Asset Management (UK) Limited. He is part of a veteran team that strives to identify superior investment opportunities while minimizing risks. David began his career with the firm in 1999 as a Quantitative Analyst and became a Portfolio Manager in 2003. He graduated from Loughborough University with a First Class BSc (Hons) degree in Mathematics and is an Associate of the UK Society of Investment Professionals (CFA UK).

#### 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 January 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.16	—	—	0.01	—	0.03	0.10	0.07	0.07	0.14
Interest	—	0.16	—	—	0.01	—	0.03	0.10	0.07	0.07	0.14
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	3-2004	37.9	7-2015	21.4	5-2017	15.0	1-2019	6.7
Worst	11-2008	-36.8	3-2003	-20.5	5-2012	-9.8	6-2010	-5.9
Average		3.9		4.0		3.3		1.1
No. of Periods		289		265		241		181
Pct. Positive		68.2		66.0		56.0		69.6

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

### Quarterly Commentary as at December 31, 2018

Stock selection was the biggest drag on performance during the quarter. The biggest detractor was Softbank Group, the largest telecom provider in Japan. The share price fell sharply due to the company's large stakes in technology companies such as Alibaba, which are suffering on concerns of slowing domestic consumption. Other top detractors were UK industrial company Ashtead and UK healthcare company Fresenius Medical Care. The largest contributor to returns was Swiss pharmaceutical company Roche which beat sales expectations. Other contributors included consumer staples name Diageo and UK analytics firm RELX.

In Asia, equity markets continued to suffer from the effects of macro headlines, especially the trade tensions between the U.S. and China with China one of the worst performers in the region.

In Europe, there continues to be uncertainty over the terms of the U.K.'s departure from the

European Union but the tensions between the EU and Italy appeared to abate in December as the Italian government delivered a revised budget.

We expect markets to remain volatile amid political uncertainty and the risks of continued trade tensions. In Japan, given slower global economic growth in 2019 and the market volatility, we expect profit growth rates in Japan to be similar to the levels seen in 2018. The portfolio manager believes that equity market weakness and the expectation of significant market fluctuations in 2019 will provide the Fund with good investment opportunities.

While we are, as always, cognisant of the wider macro environment, our focus remains on the discipline of long-term investing in companies with strong competitive positions, low capital intensity, sustainable and/or improving profitability.



# RBC International 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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MER (%) for RBC Funds, 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.

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, 2019.

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