



# RBC Canadian Equity Fund

## Investment Objective

To provide long-term capital growth by investing primarily in equity securities of major Canadian companies in order to provide broad exposure to economic growth opportunities in Canada.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF269
Adv	Deferred Sales	CAD	RBF847
Adv	Front End	CAD	RBF747
Adv	Low Load	CAD	RBF127
T5	No Load	CAD	RBF434

Inception Date	April 1967
Total Fund Assets \$Mil	2,388.0
Series A NAV \$	24.72
Series A MER %	1.89
Benchmark	S&P/TSX Capped Composite Total Return Index

Income Distribution	Annually
Capital Gains Distribution	Annually

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

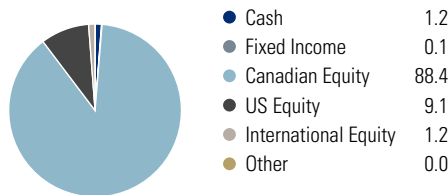
Fund Category	Canadian Equity
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Management Company	RBC Global Asset Management Inc.
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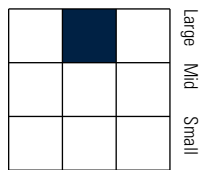
Web Site	www.rbcgam.com
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## Portfolio Analysis as of August 31, 2017

### Asset Mix



### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	1.8
P/E Ratio	16.9
Avg. Mkt Cap. \$B	25.9

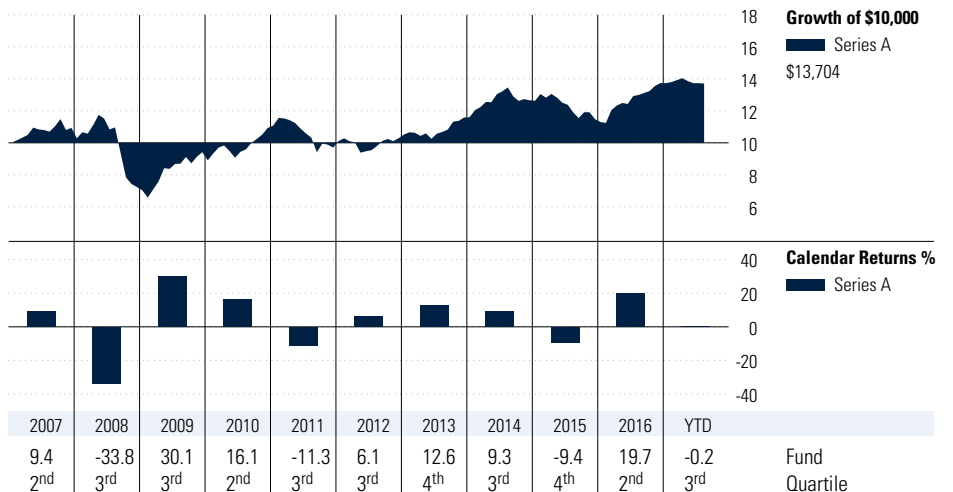
### Top 10 Holdings

Company	% Assets
Royal Bank of Canada	6.0
The Toronto-Dominion Bank	5.0
Enbridge Inc	4.9
Bank of Nova Scotia	4.0
Suncor Energy Inc	3.4
Canadian Natural Resources Ltd	2.8
Canadian National Railway Co	2.8
Manulife Financial Corp	2.5
CIBC	2.4
Brookfield Asset Management Inc Class A	2.3
<b>Total % of Top 10 Holdings</b>	<b>36.1</b>
<b>Total Number of Stock Holdings</b>	<b>167</b>
<b>Total Number of Bond Holdings</b>	<b>1</b>
<b>Total Number of Other Holdings</b>	<b>1</b>
<b>Total Number of Holdings</b>	<b>169</b>

### Global Equity Sectors

Sector	% Equity
Financials	30.3
Energy	21.7
Industrials	9.8
Materials	9.7
Consumer Staples	5.3
Real Estate	5.0
Consumer Discretionary	4.5
Utilities	4.1
Telecommunication Services	3.9
Information Technology	3.4
Health Care	2.2
Unclassified	0.0

## Performance Analysis as of August 31, 2017



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
-0.2	-1.1	-0.7	5.5	0.6	7.0	2.5	8.7	Fund
4 <sup>th</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	—	Quartile
610	609	598	569	415	302	141	—	No. of Funds in Category



# RBC Canadian Equity Fund

## Management Overview

### Manager Bios

#### Jennifer McClelland

#### RBC Global Asset Management Inc.

Jennifer McClelland is Vice President and Senior Portfolio Manager, Canadian Equities. Jennifer began her investment career in 1993. She is a member of the North American equity team and is responsible for core and income-oriented Canadian equity mandates. Jennifer has a Bachelor Degree in Economics from the University of Western Ontario and is a CFA charterholder.

### Performance Analysis Cont'd as of August 31, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	—	0.14	0.34	3.34	0.16	0.05	1.18	1.42	0.89	—	2.37
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	0.14	0.11	0.08	0.16	0.05	—	—	—	—	—
Capital Gains	—	—	0.23	3.26	—	—	1.18	1.42	0.89	—	2.37
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	8-2000	42.1	3-2006	24.5	10-2007	19.2	8-2008	11.5
Worst	2-2009	-38.3	2-2009	-9.4	5-2012	-3.0	1-2016	2.2
Average		9.0		8.2		8.0		7.5
No. of Periods		289		265		241		181
Pct. Positive		73.7		84.9		92.1		100.0

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

### Quarterly Commentary as at June 30, 2017

The S&P/TSX Composite Total Return Index pared gains after hitting an all-time high in February. Underperformance stemmed from weakness in the Materials, Financials and Energy sectors, representing approximately two-thirds of Canada's benchmark stock index.

During Q2, the Fund benefitted from strong security selection and asset allocation. In the Energy sector, the portfolio manager continues to believe that large companies with long-life reserves and strong balance sheets are set to deliver attractive levels of free cash as crude prices return to the marginal cost of production. In Financials, the portfolio managers continue to like Brookfield Asset Management, which had Q2 results exceeding expectations. They seek to utilize their global reach to identify and acquire high quality "real" assets at favourable valuations.

While the broad based commodity shock has subsided, oil prices continue to be under pressure. They remain difficult to forecast in the short run, but remain below our estimate of marginal cost.

The large Canadian banks delivered strong earnings growth this quarter, driven by healthy loan growth, stable net-interest margins and declining provisions for credit losses. Although bank stocks pulled back amid the unwind of the "Trump trade" and rising sovereign-bond prices, they remain solid total-return investments.

Despite a slower Q2, the Canadian economy has had a strong start to 2017. Global economic growth is expected to trend modestly higher this year and our forecast has increased to 2.0% for Canada.



# RBC Canadian 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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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](http://www.sedar.com).

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 full-year period, April 1, 2016 to March 31, 2017, expressed on an annualized basis.

Adjusted MER is provided for funds with management fee changes effective June 30, 2016. The Adjusted MER represents what the reported MER would have been had management fee changes been in effect throughout 2016.

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 August 31, 2017.

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