



RBC Balanced Fund

Investment Objective

To provide a combination of capital growth and modest income by investing primarily in a balance of Canadian equities, bonds and short-term debt securities.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF272
Adv	Deferred Sales	CAD	RBF838
Adv	Front End	CAD	RBF738
Adv	Low Load	CAD	RBF123
T5	No Load	CAD	RBF536
T8	No Load	CAD	RBF596

Inception Date	December 1987
Total Fund Assets \$Mil	5,303.1
Series A NAV \$	14.26
Series A MER %	2.15
Benchmark	45% FTSE Canada Universe Bond Index 35% S&P/TSX Capped Composite Total Return Index 10% S&P 500 Total Return Index (CAD) 7% MSCI EAFE Total Return Net Index (CAD) 3% MSCI Emerging Markets Total Return Net Index (CAD)

Income Distribution	Quarterly
Capital Gains Distribution	Annually
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

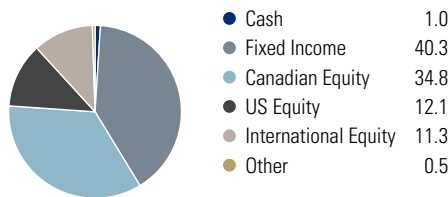
Fund Category	Canadian Neutral Balanced
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Management Company	RBC Global Asset Management Inc.
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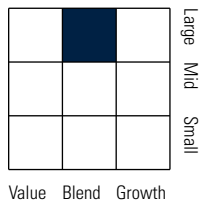
Web Site	www.rbcgam.com
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Portfolio Analysis as of September 30, 2018

Asset Mix



Equity Style



Top 5 Sectors

Sector	% Equity
Financials	29.6
Energy	14.5
Industrials	9.9
Information Technology	8.3
Materials	7.7

Fixed Income Breakdown

Category	%
Govt. Bonds	74.8
Corp. Bonds	22.9
Other Bonds	0.0
MBS	0.0
Cash & Other	2.3
ABS	0.0

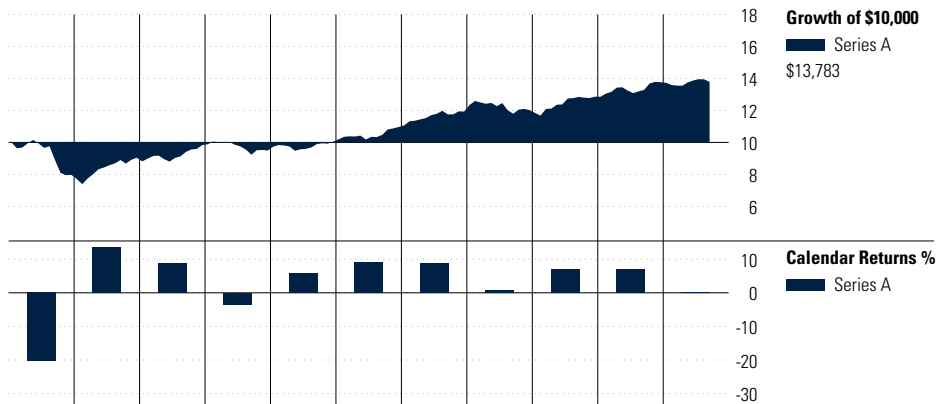
Characteristics

Characteristic	%
Avg. Term to maturity (Yrs)	10.7
Modified Duration (Yrs)	7.8
Yield to Maturity	2.9

Top 25 Holdings

Holder	% Assets
RBC Emerging Markets Equity Fund	3.3
Royal Bank of Canada	2.5
The Toronto-Dominion Bank	2.3
Bank of Nova Scotia	1.7
Suncor Energy Inc	1.4
RBC Canadian Small & Mid-Cap Res Fund	1.3
Canada (Government of) 0.75% 01-03-2021	1.3
Canada (Government of) 2.75% 01-12-2048	1.3
Canadian National Railway Co	1.3
Canada (Government of) 0.75% 01-09-2021	1.2
Bank of Montreal	1.1
Enbridge Inc	1.1
Ontario (Province Of) 4.65% 02-06-2041	1.1
Ontario (Province Of) 4.6% 02-06-2039	1.1
Ontario (Province Of) 3.15% 02-06-2022	1.0
Brookfield Asset Mgmt Inc Cl A	1.0
Canadian Natural Resources Ltd	1.0
Hydro Quebec 6.5% 15-02-2035	0.9
Canada (Government of) 0.5% 01-03-2022	0.9
Ontario (Province Of) 4.7% 02-06-2037	0.9
Ontario (Province Of) 2.85% 02-06-2023	0.9
Quebec (Province Of) 3% 01-09-2023	0.8
Canadian Imperial Bank of Commerce	0.8
Ontario (Province Of) 2.6% 02-06-2027	0.8
Ontario (Province Of) 2.6% 02-06-2025	0.8
Total % of Top 25 Holdings	32.0
Total Number of Portfolio Holdings	594
Total Number of Stock Holdings	774
Total Number of Bond Holdings	316
Total Number of Other Holdings	17
Total Number of Underlying Holdings	1,107

Performance Analysis as of September 30, 2018



Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD	Fund Quartile
Calendar Returns %	-20.3	13.4	8.8	-3.5	5.8	9.1	8.8	0.8	7.0	7.0	0.1	4th
	4th	4th	3rd	4th	3rd	3rd	2nd	2nd	3rd	2nd	4th	

Period	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Fund	-1.1	-0.6	1.7	3.8	5.3	5.6	4.5	6.3	Fund
Quartile	4th	4th	4th	3rd	3rd	2nd	4th	—	Quartile
No. of Funds in Category	703	679	676	661	538	436	155	—	No. of Funds in Category



RBC Balanced Fund

Management Overview

Manager Bios

Stuart Kedwell

RBC Global Asset Management Inc.

Stu leads the North American Equity team and is a member of the RBC GAM Investment Strategy Committee, which is responsible for establishing the firm-wide global asset mix for mutual funds and for institutional and high net worth private clients. Stu began his career in 1996 with RBC Dominion Securities in the firm's Generalist program, a two-year internship in which participants rotate through different areas of the firm. In 1998, he joined the RBC Investments Portfolio Advisory Group, which provides investment ideas and recommendations to RBC DS Investment Advisors.

Dagmara Fijalkowski

RBC Global Asset Management Inc.

As Head of Global Fixed Income and Currencies at RBC Global Asset Management, Dagmara leads investment teams in Toronto, London. In her duties as a portfolio manager, Dagmara heads management of several bond funds, manages foreign-exchange hedging and active currency overlay programs across a number of funds. Dagmara chairs the Fixed Income Strategy Committee. She is also a member of the Investment Policy Committee, which determines asset mix for balanced and multi-strategy products, and the RBC Investment Strategy Committee.

Performance Analysis Cont'd as of September 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.04	0.56	0.23	0.39	0.57	0.54	0.17	0.08	—	—	—
Interest	0.04	—	—	0.00	—	—	—	—	—	—	—
Dividends	—	0.03	0.11	0.12	0.06	0.02	0.05	—	—	—	—
Capital Gains	—	0.52	0.12	0.27	0.50	0.52	0.12	0.08	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	7-1997	25.4	3-2006	15.7	8-2000	12.2	9-2005	7.5
Worst	2-2009	-23.3	2-2009	-5.8	5-2012	-1.0	8-2010	2.3
Average		5.9		5.8		5.4		4.9
No. of Periods		289		265		241		181
Pct. Positive		75.8		84.5		95.4		100.0

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

Quarterly Commentary as at September 30, 2018

The accelerating U.S. economy and trade were the big stories in the third quarter of 2018. Concern that Canada would be omitted from a renegotiated trade pact between the U.S. and Mexico were alleviated at the end of the period, with the announcement of an agreement. The U.S. raised pressure on China to open up its economy, but by quarter-end there was scant evidence that the conflict had done much to hinder the U.S. economic expansion.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Returns in major fixed-income markets were negative, as interest rates moved mostly higher. Japanese fixed income underperformed as the central bank allowed interest rates to fluctuate outside the narrow band that had been in effect, while European bonds were hurt by concern about Brexit and proposals to boost Italian government spending. Returns in the fixed-income portion of the Fund benefited from exposure to corporate bonds, which outperformed during the period.

Global equities were mixed during the quarter, with the S&P 500 Index rising to an all-time high while many other markets posted negative returns. The performance of emerging markets on the portfolio was especially negative given the trade tensions and a relatively strong U.S. dollar. Exposure to U.S. equities had a positive impact on performance, offset by security selection in the developed markets of Europe and Asia.

Economic growth is strong in the U.S., but many other economies are slowing. Protectionism and Chinese economic deceleration are among the risks threatening the solid, albeit moderating, growth. While we expect continued expansion, the slowdown has led us to lower our developed-world growth forecasts. Exposure to bonds was recently increased, sourced from cash. Our asset mix remains slightly underweight fixed income and overweight stocks.



RBC Balanced 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, 2018, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full year period, April 1, 2017 to March 31, 2018.

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 September 30, 2018.

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