



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	5,412.9
Series A NAV \$	14.05
Series A MER %	2.16
Benchmark	45% FTSE TMX 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

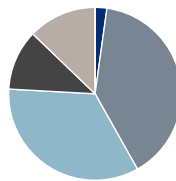
Fund Category	Canadian Neutral Balanced
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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Portfolio Analysis as of April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

Asset Mix

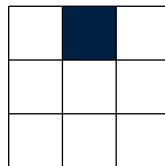


	% Assets
Cash	2.2
Fixed Income	39.6
Canadian Equity	34.0
US Equity	11.3
International Equity	12.8
Other	0.0

Top 10 Holdings

	% Assets
RBC Emerging Markets Equity Fund	3.4
Royal Bank of Canada	2.4
The Toronto-Dominion Bank	2.2
Bank of Nova Scotia	1.7
Suncor Energy Inc	1.5
Canada (Government of) 0.75% 01-09-2021	1.4
RBC Canadian Small & Mid-Cap Res Fund	1.4
Canada (Government of) 0.75% 01-03-2021	1.3
Canadian National Railway Co	1.1
Bank of Montreal	1.1
Total % of Top 10 Holdings	17.4
Total Number of Portfolio Holdings	599
Total Number of Stock Holdings	791
Total Number of Bond Holdings	322
Total Number of Other Holdings	16
Total Number of Underlying Holdings	1,129

Equity Style



Value Blend Growth

Statistics

P/B Ratio	1.9
P/E Ratio	15.9
Avg. Mkt Cap. \$B	40.2

Top 5 Sectors

	% Equity
Financials	29.6
Energy	14.1
Information Technology	10.4
Industrials	9.7
Consumer Discretionary	8.8

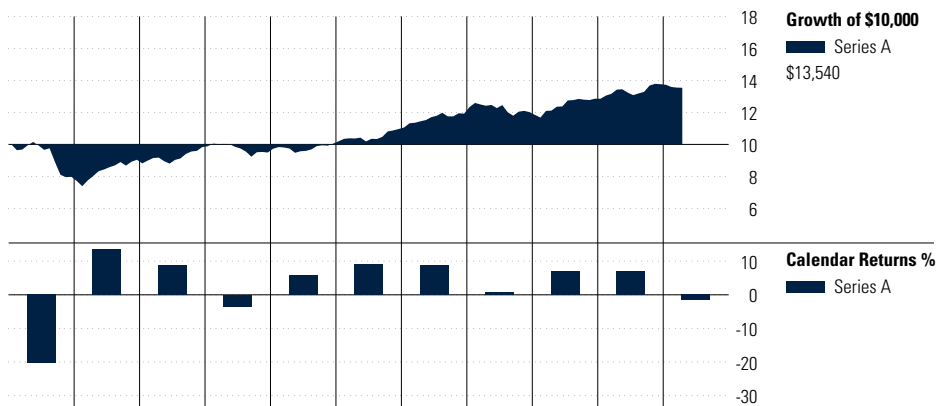
Fixed Income Breakdown

	%
Govt. Bonds	73.3
Corp. Bonds	24.4
Other Bonds	0.0
MBS	0.0
Cash & Other	2.3
ABS	0.0

Characteristics

	%
Avg. Term to maturity (Yrs)	10.4
Modified Duration (Yrs)	7.6
Yield to Maturity	2.8

Performance Analysis as of April 30, 2018



Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD	
Calendar Returns %	-20.3	13.4	8.8	-3.5	5.8	9.1	8.8	0.8	7.0	7.0	-1.6	Fund Quartile
	4 th	4 th	3 rd	4 th	3 rd	3 rd	2 nd	2 nd	3 rd	2 nd	3 rd	

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	-0.1	-1.4	-1.0	0.9	2.9	5.5	3.1	6.3	Fund
	4 th	3 rd	3 rd	2 nd	3 rd	2 nd	4 th	—	Quartile
	613	613	610	602	458	368	149	—	No. of Funds in Category



RBC Balanced 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.

Dagmara Fijalkowski

RBC Global Asset Management Inc.

As Head of Global Fixed Income and Currencies, Dagmara leads investment teams in Toronto, London and Minneapolis in charge of almost \$100 billion in fixed income assets. She heads management of several bond funds and manages foreign-exchange hedging and active currency overlay programs across a number of funds. Dagmara, who began her investment career in 1994, holds an MBA from the Richard Ivey School of Business, a Master's degree in economics from the University of Lodz in Poland and is a CFA charterholder.

Performance Analysis Cont'd as of April 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.56	0.23	0.39	0.57	0.54	0.17	0.08	—	—	—
Interest	—	—	—	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		5.9		5.5		5.0
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 March 31, 2018

Global trade suffered a setback in the first quarter of 2018 as U.S. President Trump threatened to impose trade tariffs on China and, to a lesser degree, allies in Europe and North America. However, economic growth remained robust in most areas of the world.

The Fund's overweight position in equities and underweight position in fixed income had a neutral impact on performance. Government-bond yields rose significantly around the globe during the first quarter, especially in the U.S. and Europe. Canada's bond market outperformed as the country's weakening economy held yields down. The Fund's returns were negatively affected by an underweight position in investment-grade bonds as well as security selection in this area.

Global equities posted modest losses, reversing gains earlier in the period, on concerns about rising inflation and the potential for a trade war. Canadian stocks underperformed due in part to a

housing slowdown and worries that the Energy sector is falling behind on pipeline infrastructure. Above-benchmark exposure to emerging-market equities had a positive impact on performance, offset by the negative impact of security selection of stocks in the developed markets of Europe and Asia.

We expect the global economy to grow at its fastest pace since the financial crisis, allowing central banks to continue dialling back monetary accommodation. In our view, stocks will continue to outperform bonds in this rising-rate environment, but we recently added to our fixed-income exposure as bonds can help offset equity-market volatility in a balanced portfolio. We remain overweight stocks and underweight bonds, but our asset mix is closer to neutral than it has been in many years, given the maturation in the business cycle and demanding valuations.



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 full year period, January 1 to December 31, 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.

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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 April 30, 2018.

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