



RBC QUBE Low Volatility Global Equity Fund

Investment Objective

To provide long-term capital growth. The fund invests primarily in equity securities of companies throughout the world using a quantitative investment approach. The fund seeks to achieve a reduced level of volatility.

The investment team uses a quantitative approach to build a portfolio that first minimizes the expected volatility of returns and then seeks to maximize risk-adjusted returns. In building the portfolio, each stock in the global universe is evaluated according to its stability, growth and quality characteristics. The end result is a broadly diversified portfolio with holdings spread across most of the 31 custom sectors in the global universe.

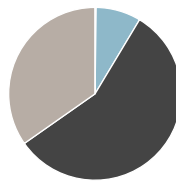
Fund Details

| Series | Currency | Fund Code |
|--------|----------|-----------|
| 0 | CAD | RBF287 |
| 0 | USD | RBF8413 |

| | |
|-------------------------|---|
| Inception Date | January 2013 |
| Total Fund Assets \$Mil | 1,531.8 |
| Benchmark | MSCI World Total Return Net Index (C\$) |

Portfolio Analysis as of April 30, 2019

Asset Mix



| | % Assets |
|----------------------|----------|
| Cash | 0.2 |
| Fixed Income | 0.0 |
| Canadian Equity | 8.4 |
| US Equity | 56.6 |
| International Equity | 34.7 |
| Other | 0.0 |

Top 10 Holdings

| | % Assets |
|---------------------------------------|------------|
| Exelon Corp | 3.1 |
| Royal Bank of Canada | 3.0 |
| Roche Holding AG Dividend Right Cert. | 2.9 |
| NTT DOCOMO Inc | 2.2 |
| BCE Inc | 2.2 |
| Etalissementen Franz Colruyt NV | 2.1 |
| Consolidated Edison Inc | 2.1 |
| Coca-Cola Co | 2.1 |
| Bank of Montreal | 1.9 |
| Duke Energy Corp | 1.8 |
| Total % of Top 10 Holdings | 23.3 |
| Total Number of Stock Holdings | 162 |
| Total Number of Bond Holdings | 0 |
| Total Number of Other Holdings | 1 |
| Total Number of Holdings | 163 |

Equity Style

| | Large | Mid | Small |
|--------|-------|-----|-------|
| Value | 44 | 8 | 0 |
| Blend | 27 | 7 | 0 |
| Growth | 12 | 3 | 0 |

| Weight % |
|-----------|
| ● > 50 |
| ● 25 - 50 |
| ● 10 - 25 |
| ○ 0 - 10 |

Equity Statistics

| | |
|-------------------|------|
| P/B Ratio | 1.9 |
| P/E Ratio | 16.3 |
| P/FCF | 6.7 |
| P/S | 1.6 |
| Avg. Mkt Cap. \$B | 58.6 |
| Dividend Yield | 2.9 |

Top 5 Equity Sectors

| | % Equity |
|---------------------------|----------|
| Utilities | 16.5 |
| Financials | 15.0 |
| Consumer Staples | 13.9 |
| Health Care | 11.6 |
| Consumer Discretionary | 11.5 |
| % in Top 5 Equity Sectors | 68.5 |

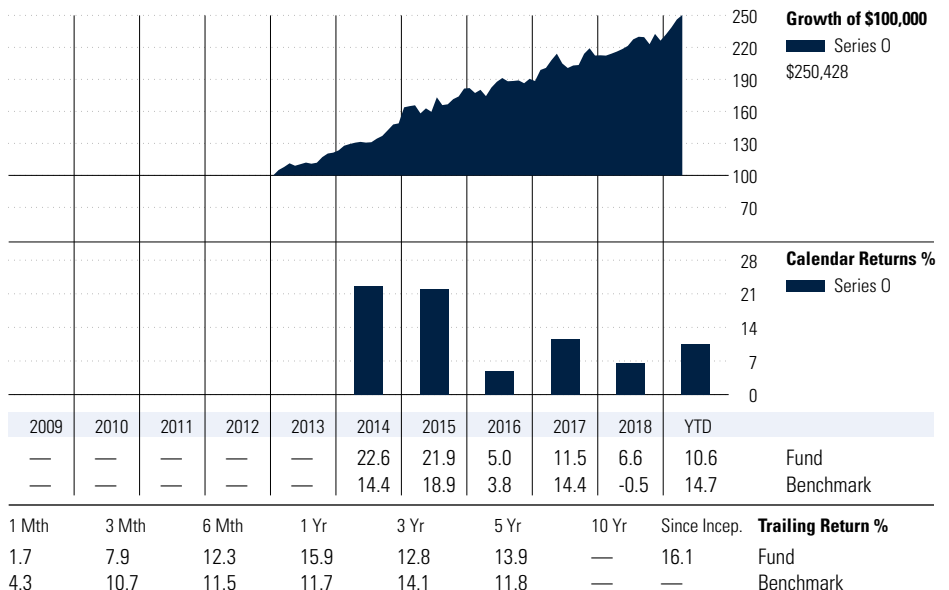
Risk Measures

| | Fund | Benchmark |
|----------------|------|-----------|
| 3 Year Std Dev | 8.3 | 9.1 |
| 5 Year Std Dev | 9.9 | 10.0 |

Geographic Allocations

| | % Assets |
|---------------|----------|
| United States | 56.7 |
| Japan | 12.9 |
| Canada | 8.5 |
| Switzerland | 7.1 |
| Hong Kong | 4.3 |

Performance Analysis as of April 30, 2019





RBC QUBE Low Volatility Global Equity Fund

Management Overview

Manager Bios

Bill Tilford

RBC Global Asset Management Inc.

Bill is Head of Quantitative Investments at RBC Global Asset Management Inc. (RBC GAM). He has been working in the investment industry since 1986. Prior to joining RBC GAM, Bill was VP & Head of Global Corporate Securities (Public Market Investments) at a federal Crown corporation, where he managed one of the world's largest Global market neutral/overlay portfolios. For 12 years, he was a partner at a large Canadian asset manager. He holds an M.Math (Statistics & Finance) and a BA in Math (Hons).

Oliver McMahon

RBC Global Asset Management

Oliver is Senior Portfolio Manager, specializing in the management of quantitative equity mandates at RBC Global Asset Management (RBC GAM). Prior to joining the firm in 2012, Oliver headed the product management team for the Canadian arm of one of the world's largest investment management firms and before that was a senior member of that same firm's quantitative investments team. Oliver holds a BSc (Hons) from the University of East London and became a CFA charterholder in 2003.

Norman So

RBC Global Asset Management

Norman is Portfolio Manager on the Quantitative Investments team at RBC Global Asset Management (RBC GAM). Norman's focus is on researching, designing, and managing investment solutions that are rooted in quantitative discipline. Prior to joining the team in 2004, he facilitated the development of quantitative resources for research initiatives within the Quantitative Research Group (QRG) at PH&N IM. Norman became a CFA charterholder in 2007.

Performance Analysis Cont'd as of April 30, 2019

| Distributions (\$)/Unit | YTD* | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|-------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Total Distributions | — | 0.84 | 1.12 | 0.76 | 0.62 | 0.57 | 0.24 | — | — | — | — |
| Interest | — | 0.37 | 0.40 | 0.34 | 0.32 | 0.27 | 0.16 | — | — | — | — |
| Dividends | — | 0.07 | 0.07 | 0.02 | 0.02 | 0.02 | — | — | — | — | — |
| Capital Gains | — | 0.40 | 0.66 | 0.40 | 0.28 | 0.28 | 0.08 | — | — | — | — |
| Return Of Capital | — | — | — | — | — | — | — | — | — | — | — |

| Best/Worst Periods % | Ended | 1 Yr | Ended | 3 Yr | Ended | 5 Yr | Ended | 10 Yr |
|----------------------|--------|-------|---------|-------|---------|-------|-------|-------|
| Best | 1-2015 | 32.6 | 1-2016 | 22.1 | 1-2018 | 16.3 | — | — |
| Worst | 5-2018 | 2.0 | 12-2018 | 7.7 | 12-2018 | 13.3 | — | — |
| Average | | 14.9 | | 14.3 | | 14.5 | | — |
| No. of Periods | | 64 | | 40 | | 16 | | — |
| Pct. Positive | | 100.0 | | 100.0 | | 100.0 | | — |

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

Quarterly Commentary as at March 31, 2019

The Fund rebounded sharply in the first quarter of 2019 along with broader equity markets. This was a welcome development following the sharply negative returns generated by global equity markets in the final quarter of 2018.

Within the Fund, it was a rare quarter in that every sector delivered positive returns – the highest being Information Technology and the lowest, Communication Services. The Fund's Information Technology holdings rallied and contributed to returns. Mastercard, the payments/financial services company, delivered strong financial results along with positive guidance on revenue and earnings growth. Mastercard is a highly profitable company that generates strong cash flow. Intuit was another positive contributor as the accounting software company's stock price rallied on the back of a strong organic revenue increase, particularly from the self-employed segment. The last contributor of note was Garmin, a consumer electronics company that resides within the Consumer Discretionary sector. Garmin's share

price rose sharply this quarter after they announced financial results for 2018 that included 22% earnings-per-share growth over the prior year. The company's shares jumped nearly 20% on the day of their results.

There were two notable detractors over the quarter – Pfizer and Coca-Cola – though their impact was modest as all sectors in the fund posted positive performance over the period. Pfizer suffered negative stock price volatility ahead of its quarterly results release amid concerns that key products could face increased generic competition. Coca-Cola is currently facing near-term pressures from some strategic decisions, packaging downsizing, the de-prioritization of lower value brands, and foreign exchange pressures stemming from a strengthening U.S. dollar. That said, the company's dividend remains attractive, and market expectations are reasonable for 2019 financial performance, which should stabilize Coca-Cola's share price over the near-term.



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Disclosure

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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.

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MER (%) for RBC Funds, RBC Private Pools, 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.

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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