



RBC O'Shaughnessy U.S. Growth Fund II

Investment Objective

To provide long-term capital growth by investing primarily in equity securities of U.S. companies based on Strategy Indexing®, a rigorous and disciplined approach to stock selection based on characteristics associated with above-average returns over long periods of time.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF306
Adv	Front End	CAD	RBF782
Adv	Low Load	CAD	RBF204

Inception Date	January 2008
Total Fund Assets \$Mil	38.7
Series A NAV \$	10.42
Series A MER %	2.20
Benchmark	Russell 2500 Growth Index (US\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

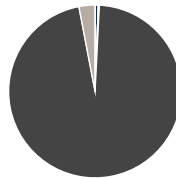
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

Fund Category	US Small/Mid Cap Equity
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Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Portfolio Analysis as of January 31, 2018

Asset Mix

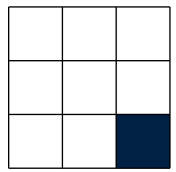


	% Assets
Cash	0.6
Fixed Income	0.0
Canadian Equity	0.2
US Equity	96.2
International Equity	3.0
Other	0.0

Top 10 Holdings

	% Assets
Cadence Design Systems Inc	2.0
Progress Software Corp	1.8
Chemed Corp	1.5
Blucora Inc	1.5
Novanta Inc	1.5
New York Times Co Class A	1.5
VMware Inc	1.5
Varian Medical Systems Inc	1.5
Sanderson Farms Inc	1.5
Cabot Microelectronics Corp	1.4
Total % of Top 10 Holdings	15.6
Total Number of Stock Holdings	176
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	177

Equity Style



Value Blend Growth

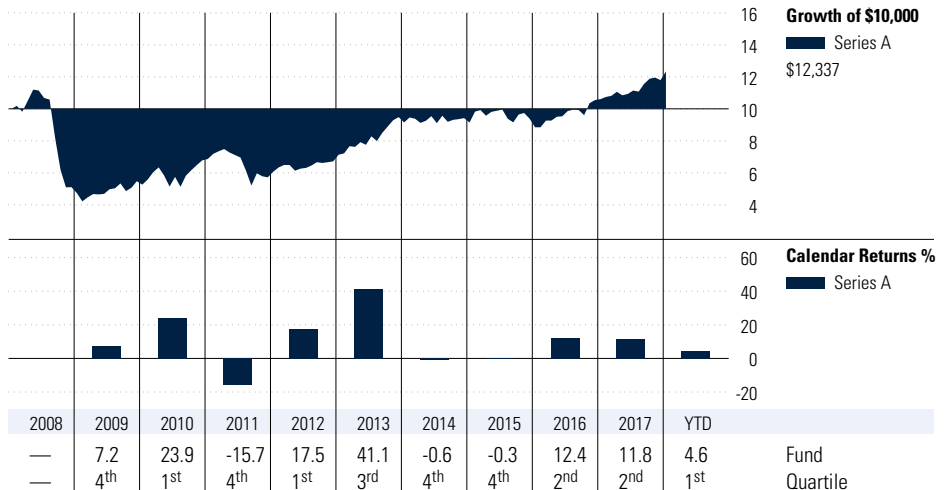
Equity Statistics

P/B Ratio	3.4
P/E Ratio	21.6
Avg. Mkt Cap. \$B	4.4

Global Equity Sectors

	% Equity
Information Technology	27.0
Consumer Discretionary	18.7
Industrials	17.6
Health Care	15.7
Financials	7.9
Materials	5.7
Consumer Staples	2.7
Energy	2.6
Real Estate	1.2
Telecommunication Services	0.9
Unclassified	0.0
Utilities	0.0

Performance Analysis as of January 31, 2018



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
4.6	3.9	10.7	16.3	10.5	11.6	2.1	1.8	Fund
1 st	2 nd	2 nd	1 st	2 nd	4 th	4 th	—	Quartile
291	271	265	254	178	99	57	—	No. of Funds in Category



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Management Overview

Manager Bios

Jim P. O'Shaughnessy

O'Shaughnessy Asset Management

Jim O'Shaughnessy is the Chairman, Chief Investment Officer and Portfolio Manager at O'Shaughnessy Asset Management (OSAM). Jim is ultimately responsible for OSAM's investment strategies and is an equity owner in OSAM and a member of the firm's Executive Committee. Prior to founding OSAM, Jim was the Director of Systematic Equity at Bear Stearns Asset Management and a Senior Managing Director of the firm. Prior to Bear Stearns, he was the CEO and Chairman of O'Shaughnessy Capital Management (Netfolio).

Performance Analysis Cont'd as of January 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	1.36	—	0.09	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	1.36	—	0.09	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2013	41.1	9-2014	20.9	2-2014	17.5	1-2018	2.1
Worst	2-2009	-58.6	8-2011	-16.6	6-2013	-7.0	1-2018	2.1
Average		6.2		8.0		9.4		2.1
No. of Periods		109		85		61		1
Pct. Positive		67.9		88.2		86.9		100.0

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

Quarterly Commentary as at December 31, 2017

During Q4, an overweight exposure to Value was the largest contributor to return. An underweight allocation to the Size factor—we were positioned smaller in market cap than the benchmark—was the largest detractor from returns. Additionally, an overweight allocation to the Momentum factor hurt returns. The Fund screens out the most poorly ranked names through Earnings Quality, Financial Strength, and Earnings Growth. The performance of these quality themes was marginally positive in aggregate for Q4.

Overall allocation effects contributed to returns while security selection effects detracted from returns for Q4. Allocation effects within Financails, Health Care, and Real Estate aided performance. Security selection within Information Technology, Financials, and Consumer Discretionary detracted from returns while security selection within Energy aided returns.

It is the policy of the Fund to maintain currency hedges at all times in order to neutralize exchange-rate movements between the U.S. dollar

and the Canadian dollar. This policy had a slightly negative effect on returns during Q4.

Above all else, we believe that long-term success comes from building a Fund around proven stock selection factors—measured using key selection criteria like quality, valuation, and momentum. Based on these key themes, the strategy is very well positioned versus its benchmark and relative to the overall market. The Fund's companies have higher momentum, lower debt ratios, and trade at deep discounts across a number of valuation factors. They are also less dilutive and returning capital to shareholders by buying back shares, instead of diluting shareholders like the average company in the index.

These combined advantages can only be delivered by a Fund which is distinct from the benchmark. Our active share of 86% means that the Fund continues to represent a unique take on its opportunity set versus the benchmark.



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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, 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.

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, 2018.

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