



RBC U.S. Mid-Cap Growth Equity Fund (US\$)

Investment Objective

To provide long-term capital growth through investment primarily in U.S. mid-capitalized equity investments and common stock equivalents.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	USD	RBF337

Inception Date	March 1992
Total Fund Assets \$Mil	929.3
Series A NAV \$	26.74
Series A MER %	2.10
Benchmark	Russell Midcap 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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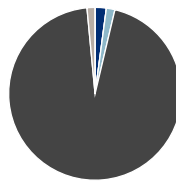
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Notes

This is a continuing fund resulting from a merger effective June 27, 2014.

Portfolio Analysis as of June 30, 2018

Asset Mix

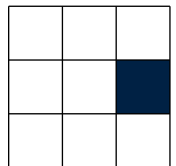


	% Assets
Cash	2.1
Fixed Income	0.0
Canadian Equity	1.6
US Equity	94.9
International Equity	1.5
Other	0.0

Top 25 Holdings

	% Assets
Abiomed Inc	3.1
WEX Inc	2.1
Autodesk Inc	2.1
Aspen Technology Inc	1.7
Align Technology Inc	1.7
Red Hat Inc	1.7
Synopsys Inc	1.6
Raymond James Financial Inc	1.6
Fidelity National Information Serv Inc	1.6
Roper Technologies Inc	1.6
Waste Connections Inc	1.6
Ross Stores Inc	1.5
HealthEquity Inc	1.5
Copart Inc	1.5
Ansys Inc	1.5
Woodward Inc	1.5
Globus Medical Inc Class A	1.5
MercadoLibre Inc	1.5
AptarGroup Inc	1.5
Dollar Tree Inc	1.5
CDW Corp	1.5
IHS Markit Ltd A	1.4
Westinghouse Air Brake Technologies Corp	1.4
Bright Horizons Family Solutions Inc	1.4
Arista Networks Inc	1.4
Total % of Top 25 Holdings	41.2
Total Number of Stock Holdings	81
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	82

Equity Style



Value Blend Growth

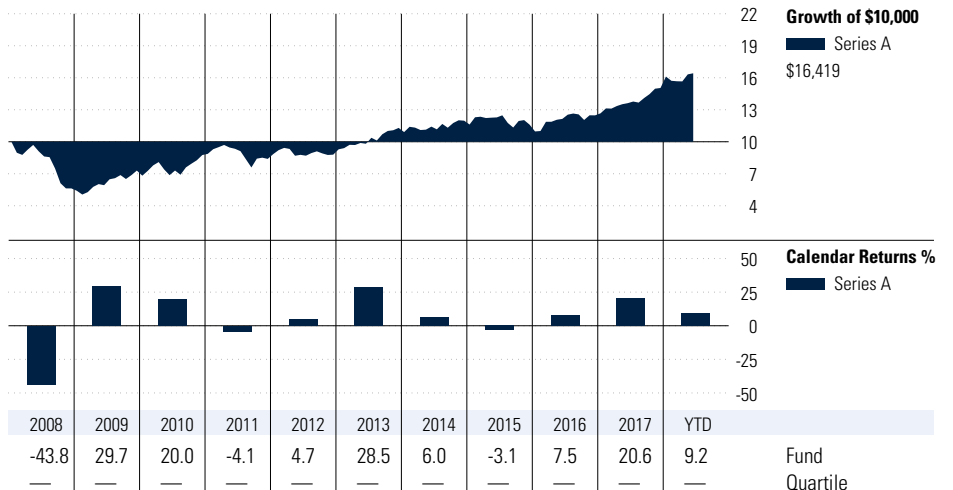
Equity Statistics

P/B Ratio	4.2
P/E Ratio	23.6
Avg. Mkt Cap. \$B	14.7

Global Equity Sectors

	% Equity
Information Technology	26.4
Industrials	22.0
Health Care	20.7
Consumer Discretionary	11.1
Financials	8.2
Consumer Staples	4.9
Materials	2.9
Energy	2.2
Real Estate	1.6
Unclassified	0.0
Telecommunication Services	0.0
Utilities	0.0

Performance Analysis as of June 30, 2018



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	0.6	4.8	9.2	20.6	10.2	10.8	6.1	6.1	Fund
	—	—	—	—	—	—	—	—	Quartile
	—	—	—	—	—	—	—	—	No. of Funds in Category



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Management Overview

Manager Bios

Kenneth A. Tyszko

RBC Global Asset Management (U.S.) Inc.

Within RBC Global Asset Management (U.S.), Ken is responsible for Small-, SMid- and Mid-Cap Growth research and portfolio management. His industry experience includes portfolio management responsibilities at Oberweis Asset Management, ABN AMRO Asset Management (USA) Inc. and Sears Investment Management Company. Ken holds a Bachelor of Science degree in accountancy from the University of Illinois; he is certified as a CPA and is a CFA charterholder.

Performance Analysis Cont'd as of June 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.62	0.30	2.42	0.38	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.62	0.30	2.42	0.38	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	3-2010	47.6	3-2006	25.6	2-2014	17.7	3-2013	8.1
Worst	12-2008	-43.8	2-2009	-16.5	3-2003	-10.9	2-2009	-2.4
Average		6.8		6.2		5.3		4.0
No. of Periods		289		265		241		181
Pct. Positive		69.6		70.9		74.3		92.8

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

Quarterly Commentary as at June 30, 2018

The Fund's relatively strong performance was driven by a combination of stock selection and sector allocation particularly in the Health Care and Information Technology sectors, which offset adverse stock selection within the Energy and Financials sectors.

The portfolio's largest overweighted sectors versus the Index are Health Care and Industrials while the largest underweighted sectors are Consumer Discretionary and Information Technology. After a fairly good performance run for momentum-oriented stocks, investors appeared to be cutting exposure to these stocks in the second quarter, which should be beneficial to portfolio results should this trend continue.

Overall, we continue to see healthy GDP growth and strong economic activity for the remainder of the year. However, possible risks to both corporate earnings growth and further equity gains include

possible adverse effects of potential tariff and trade wars, geopolitical risks, rising inflation and the flattening yield curve. The tightening labour market may finally prove to be the tipping point, leading to higher wage growth and possibly higher inflation rates. The U.S. Federal Reserve, in its recently released June minutes, also indicated it is keeping a watchful eye on several of these potential risks and will adjust monetary policy accordingly. We also are watching the yield curve and note that the spread between 10-year and 30-year Treasuries is close to 11-year lows, which may indicate a prospective economic slowdown. While we do expect strong corporate earnings growth from our portfolio companies in the second half of this year, once the market starts looking ahead to 2019 earnings estimates, comparisons will start to become a bit more difficult, which may put some pressure on equity markets.



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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 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 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 June 30, 2018.

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