



RBC Emerging Markets Foreign Exchange Fund

Investment Objective

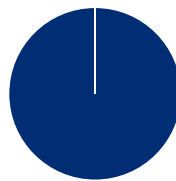
To provide total returns associated with those of emerging market currencies and short-term interest rates and to provide total returns comprised of income and modest capital growth. The fund invests primarily in short-term Canadian money market instruments and foreign exchange forward contracts on emerging market currencies.

Fund Details

Series A	Load Structure: No Load	Currency: CAD	Fund Code: RBF406
Inception Date	July 2015		
Total Fund Assets \$Mil	781.2		
Series A NAV \$	9.52		
Series A MER %	1.70		
Benchmark	JP Morgan Emerging Local Markets Index (ELMI+) (CAD)		
Income Distribution	Quarterly		
Capital Gains Distribution	Annually		
Sales Status	Open		
Min. Investment \$	500		
Subsequent Investment \$	25		
Fund Category	Emerging Markets Fixed Income		
Management Company	RBC Global Asset Management Inc.		
Web Site	www.rbcgam.com		

Portfolio Analysis as of January 31, 2019

Asset Mix



	% Assets
Cash	100.0
Fixed Income	0.0
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

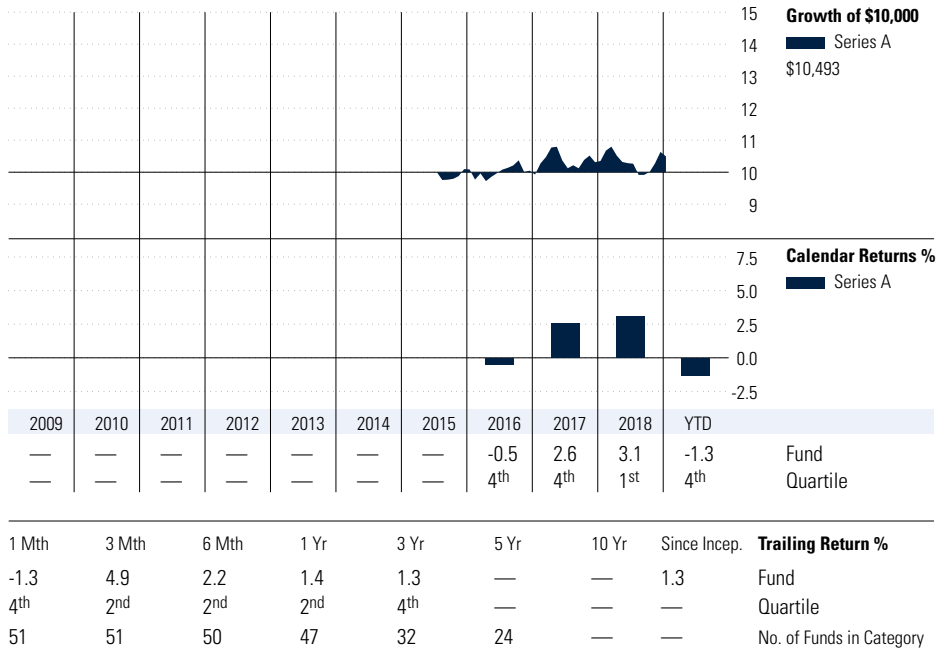
Top 10 Holdings

	% Assets
Mexico	10.2
China	9.4
South Korea	9.3
India	8.4
Singapore	7.0
Russia	6.5
Thailand	4.9
Poland	4.8
Turkey	4.7
Brazil	4.6
Total % of Top 10 Holdings	69.8
Total Number of Other Holdings	25
Total Number of Holdings	25

Geographic Allocations

	% Assets
Asia	52.3
Eastern Europe, Middle East & Africa	25.7
Latin America	21.4
Canada & US	0.6

Performance Analysis as of January 31, 2019





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Management Overview

Manager Bios

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 January 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.00	0.33	0.26	0.35	—	—	—	—	—	—
Interest	—	0.00	0.33	0.26	0.35	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	4-2017	10.8	12-2018	1.7	—	—	—	—
Worst	5-2018	-4.4	9-2018	0.5	—	—	—	—
Average		1.8		1.0		—		—
No. of Periods		31		7		—		—
Pct. Positive		67.7		100.0		—		—

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

Quarterly Commentary as at December 31, 2018

Emerging Market currencies performed well in Canadian dollar terms during the fourth quarter, with the Fund delivering relatively strong returns. This was due largely to the 5.5% sell-off in the Canadian dollar, while emerging-market currencies managed steady gains against the U.S. dollar, continuing to recover their losses from the summer. We expect general sentiment toward emerging-market currencies to continue to improve in the near term in light of more dovish signals coming from the U.S. Federal Reserve and some initial indications that trade tensions between China and the United States may pause. However, in light of the high probability that a pause may prove to be only temporary, the portfolio manager will continue to be cautious when investing in the currencies of riskier countries such as Argentina. In addition, with growth for most emerging economies expected to remain subdued during the

first half of 2019, the manager will continue to favour the currencies of countries with better economic growth profiles, lower vulnerability to external funding and governments willing to enact structural reforms in the medium- and long-term.

In coming quarters, we expect more attention to be paid to upcoming elections in several emerging-market countries (especially India and South Africa). The uncertainty surrounding those elections may make investors more willing to realize gains. However, we suspect that economic stimulus in China will start to improve economic stability in the region during the first half of the year. Since investors are currently concerned about the economic impact of trade tariffs, improved economic data may well contribute to the next rally in emerging-market assets.



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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 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.

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, 2019.

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