



# RBC International Equity Currency Neutral Fund

## Investment Objective

To provide long-term capital growth. The fund invests primarily in units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called the underlying funds), emphasizing mutual funds that invest in equity securities of companies outside of North America while minimizing the exposure to currency fluctuations between foreign currencies and the Canadian dollar. The fund aims to provide exposure to economies that offer different business cycles and growth opportunities than North American markets.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF408
Adv	Front End	CAD	RBF6068
Adv	Low Load	CAD	RBF4068

Inception Date	April 2014
Total Fund Assets \$Mil	42.3
Series A NAV \$	11.27
Series A MER %	2.13
Benchmark	MSCI EAFE Total Return Net Index (local currency)

Income Distribution	Annually
Capital Gains Distribution	Annually

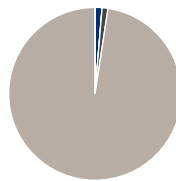
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

Fund Category	International Equity
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Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

## Portfolio Analysis as of January 31, 2019

### Asset Mix

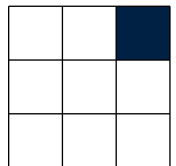


	% Assets
Cash	1.3
Fixed Income	0.0
Canadian Equity	0.0
US Equity	1.1
International Equity	97.6
Other	0.0

### Top 10 Holdings

	% Assets
Unilever PLC	4.4
RELX PLC	4.0
Diageo PLC	3.8
CSL Ltd	3.5
Roche Holding AG Dividend Right Cert.	3.5
London Stock Exchange Group PLC	3.0
Heineken NV	2.9
Novo Nordisk A/S B	2.9
SoftBank Group Corp	2.8
Sika AG Registered Shares	2.5
Total % of Top 10 Holdings	33.3
Total Number of Stock Holdings	73
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>74</b>

### Equity Style



### Equity Statistics

P/B Ratio	2.2
P/E Ratio	15.7
Avg. Mkt Cap. \$B	45.1

Value Blend Growth

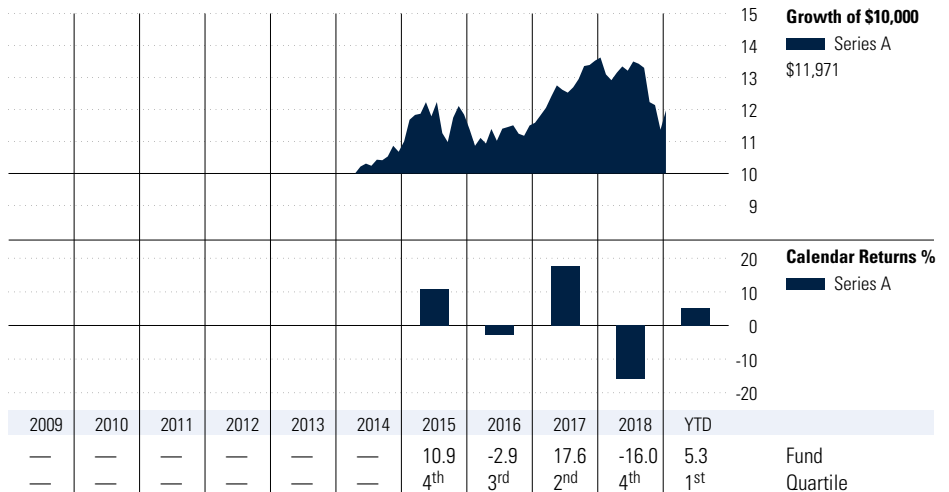
### Top 5 Sectors

	% Equity
Health Care	19.4
Financials	17.5
Consumer Staples	17.3
Industrials	12.8
Consumer Discretionary	11.6

### Geographic Allocations

	% Assets
United Kingdom	31.4
Japan	20.0
Switzerland	7.7
Australia	6.5
Netherlands	5.8

## Performance Analysis as of January 31, 2019



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	5.3	-2.1	-11.3	-12.1	1.7	—	—	4.0	Fund
	1 <sup>st</sup>	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	—	—	—	Quartile
	675	671	639	611	424	321	178	—	No. of Funds in Category



# RBC International Equity Currency Neutral Fund

## Management Overview

### Manager Bios

#### Mayur Nallamala

##### RBC Investment Management (Asia) Limited

Mayur Nallamala is Senior Portfolio Manager and the Head of Asian Equities. He has been in the investment industry since 1998, and prior to joining the firm in 2013 was a portfolio manager at JP Morgan Asset Management in Hong Kong. He was responsible for Asia Pacific ex-Japan mandates managing assets on behalf of sovereign wealth, institutional and retail clients around the world. He spent his early career at Chase Futures & Options in London and at ABN AMRO in Hong Kong. Mayur holds a Bachelor of Science from the London School of Economics.

#### Dominic Wallington

##### RBC Global Asset Management (UK) Limited

Dominic has worked in the investment industry since 1991 and has been a portfolio manager since 1993. Prior to joining RBC Global Asset Management (UK) Limited, he worked for Invesco Perpetual. Between 2002 and July 2007, Dominic ran several Continental European equity funds for individual investors and institutions. He has a Masters in Finance and Investment from the University of Exeter. Dominic also holds the Securities Institute Diploma and is a Fellow of the Securities Institute.

### Performance Analysis Cont'd as of January 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.43	—	—	—	0.29	—	—	—	—	—
Interest	—	0.10	—	—	—	0.03	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.33	—	—	—	0.26	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	11-2017	19.8	10-2017	8.2	—	—	—	—
Worst	12-2018	-16.0	12-2018	-1.3	—	—	—	—
Average		5.3		5.0				
No. of Periods		46		22				
Pct. Positive		71.7		95.5				

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

### Quarterly Commentary as at December 31, 2018

In Asia, equity markets continued to suffer from the effects of macroeconomic headlines, especially trade tensions between the U.S. and China. China's market was one of the worst performers in the region.

In Europe, there continues to be uncertainty over the terms of the U.K.'s departure from the European Union, but the tensions between the EU and Italy appeared to abate in December as the Italian government delivered a revised budget.

The Fund underperformed its benchmark in the fourth quarter, with stock selection the biggest drag on performance. The biggest detractor was Softbank Group, the largest telecom provider in Japan. The share price fell sharply due to the company's large stakes in technology companies such as Alibaba, which are suffering on concerns about slowing domestic consumption. Other detractors were the U.K. industrial company Ashtead and U.K. health-care company Fresenius

Medical Care. The largest contributor to returns was Swiss pharmaceutical company Roche, which beat sales expectations. Other contributors included Diageo and U.K. analytics firm RELX.

We expect markets to remain volatile amid political uncertainty and the risks of continued trade tensions. In Japan, we expect earnings growth to be similar to the levels seen in 2018 given slower global economic growth in 2019 and market volatility. The portfolio manager believes that equity-market weakness and expectations of significant market fluctuations in 2019 will provide the Fund with good investment opportunities.

While we are, as always, cognizant of the wider macroeconomic environment, our focus remains on the discipline of long-term investing in companies with strong competitive positions, low capital intensity, and sustainable and/or improving profitability.



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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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