



# RBC QUBE Low Volatility U.S. Equity Currency Neutral Fund

## Investment Objective

To provide long-term capital growth while minimizing the exposure to currency fluctuations between the U.S. and Canadian dollars.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF432
Adv	Front End	CAD	RBF6432
Adv	Low Load	CAD	RBF4432
T5	No Load	CAD	RBF508

Inception Date	May 2016
Total Fund Assets \$Mil	45.9
Series A NAV \$	12.36
Series A MER %	1.86
Benchmark	S&P 1500 Total Return Index (Hedged to Cad)

Income Distribution	Annually
Capital Gains Distribution	Annually

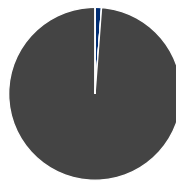
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

Fund Category	US 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	1.2
Fixed Income	0.0
Canadian Equity	0.0
US Equity	98.8
International Equity	0.0
Other	0.0

### Top 10 Holdings

	% Assets
UnitedHealth Group Inc	3.1
Mastercard Inc A	3.1
Intuit Inc	3.0
Colgate-Palmolive Co	3.0
Danaher Corp	2.9
TJX Companies Inc	2.9
Xcel Energy Inc	2.8
Johnson & Johnson	2.6
Procter & Gamble Co	2.6
Pfizer Inc	2.6
Total % of Top 10 Holdings	28.5
Total Number of Stock Holdings	108
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>109</b>

### Equity Style



Value Blend Growth

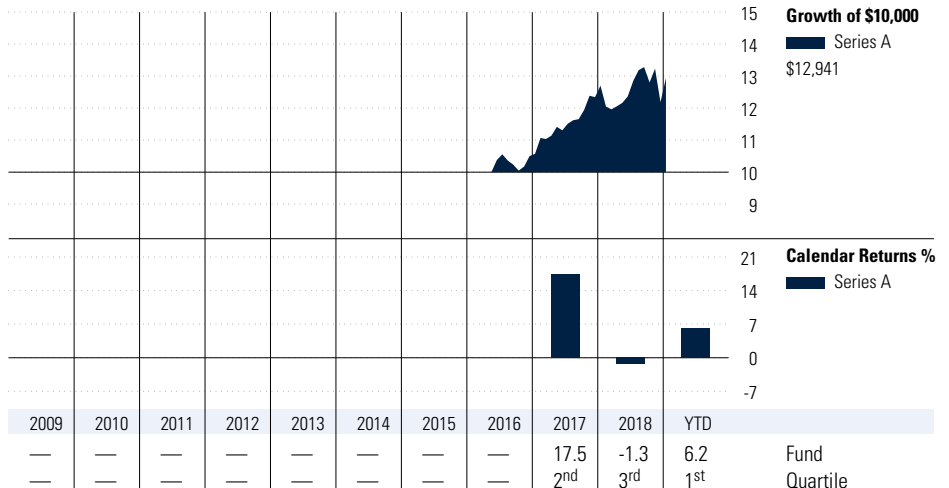
### Equity Statistics

P/B Ratio	2.7
P/E Ratio	17.7
Avg. Mkt Cap. \$B	72.0

### Global Equity Sectors

	% Equity
Health Care	19.7
Utilities	17.3
Information Technology	16.1
Consumer Staples	14.5
Consumer Discretionary	10.4
Financials	9.2
Industrials	5.7
Communication Services	2.4
Real Estate	2.3
Materials	1.5
Energy	0.9
Unclassified	0.0

## 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 %
Fund	6.2	1.1	0.7	1.9	—	—	—	9.9	Fund
Quartile	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	—	—	—	—	Quartile
No. of Funds in Category	1572	1566	1514	1476	1057	721	299	—	No. of Funds in Category



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## 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 January 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.01	0.52	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.01	0.52	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	11-2017	21.7	—	—	—	—	—	—
Worst	12-2018	-1.3	—	—	—	—	—	—
Average		11.0		—		—		—
No. of Periods		21		—		—		—
Pct. Positive		95.2		—		—		—

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

### Quarterly Commentary as at December 31, 2018

U.S. equities fared better than most over the course of 2018, supported by extremely strong earnings growth, and the S&P 500 was the only major index to have posted a gain over the 12-month period. In Q4, the S&P 500 struggled as trade concerns escalated, interest rates moved higher, and forecasts of global growth came under pressure. Defensive sectors such as Consumer Staples and Utilities outperformed, while the lagging sectors were all economically sensitive, reflecting the general belief that economic growth is likely to slow next year.

Procter & Gamble was the largest contributor to absolute performance. The company's stock price rallied over the second half of the year on the back of strong organic revenue growth and significant free cash flow generation. Another strong performer within Consumer Staples was Coca-Cola. Overall, the Stability characteristics and defensive nature of these companies benefitted the portfolio as markets fell.

Information Technology was the largest detractor

from absolute performance. Detracting stocks include MasterCard, Accenture, and Intuit. Weakness also came from bank holdings Citigroup, Capital One, and Goldman Sacks. Citigroup and Goldman Sacks experienced declines in investment banking income in recent quarters, as persistent volatility caused a slowdown in debt and equity issuances by public companies.

The risk of protectionism has diminished somewhat thanks to the new trade deal among the U.S., Canada, and Mexico replacing NAFTA; however, escalating tension between the U.S. and China remains a meaningful threat with no immediate signs of resolution. The breadth of tariffs levied in both directions has increased substantially in recent quarters and now covers hundreds of billions of bilateral trade between the world's two largest economies. While the economic damage from protectionism has been minor so far, any further deterioration in the trade environment could be problematic for global economies.



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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.

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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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