



RBC U.S. Small-Cap Value Equity Fund

Investment Objective

To provide long-term capital growth. The fund invests primarily in equity securities of U.S. small-cap companies that are deemed to be undervalued in order to provide broad exposure to economic growth opportunities in the equity markets.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF435
Adv	Front End	CAD	RBF6435
Adv	Low Load	CAD	RBF4435

Inception Date	September 2015
Total Fund Assets \$Mil	69.0
Series A NAV \$	13.78
Series A MER %	2.04
Benchmark	Russell 2000 Value Index (CDNS)

Income Distribution	Annually
Capital Gains Distribution	Annually

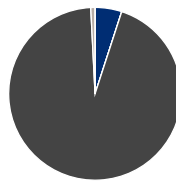
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

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 September 30, 2018

Asset Mix

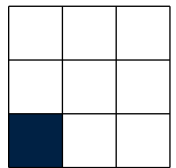


	% Assets
Cash	5.0
Fixed Income	0.0
Canadian Equity	0.0
US Equity	94.2
International Equity	0.8
Other	0.0

Top 25 Holdings

	% Assets
Compass Diversified Holdings	2.6
Spire Inc	2.2
Chemical Financial Corp	2.1
PC Connection Inc	2.1
Columbus McKinnon Corp	1.9
Portland General Electric Co	1.9
Synovus Financial Corp	1.9
Gray Television Inc	1.9
EnerSys	1.8
Pacific Premier Bancorp Inc	1.8
Kaiser Aluminum Corp	1.8
United Community Banks Inc	1.7
Reliance Steel & Aluminum Co	1.7
Greenbrier Companies Inc	1.7
Novanta Inc	1.6
Omnova Solutions Inc	1.6
Steven Madden Ltd	1.6
Heritage Financial Corp	1.6
Casella Waste Systems Inc Class A	1.6
Delek US Holdings Inc	1.5
Globus Medical Inc Class A	1.5
Texas Capital Bancshares Inc	1.5
LegacyTexas Financial Group Inc	1.5
Patrick Industries Inc	1.5
Callon Petroleum Co	1.4
Total % of Top 25 Holdings	44.0
Total Number of Stock Holdings	84
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	85

Equity Style



Value Blend Growth

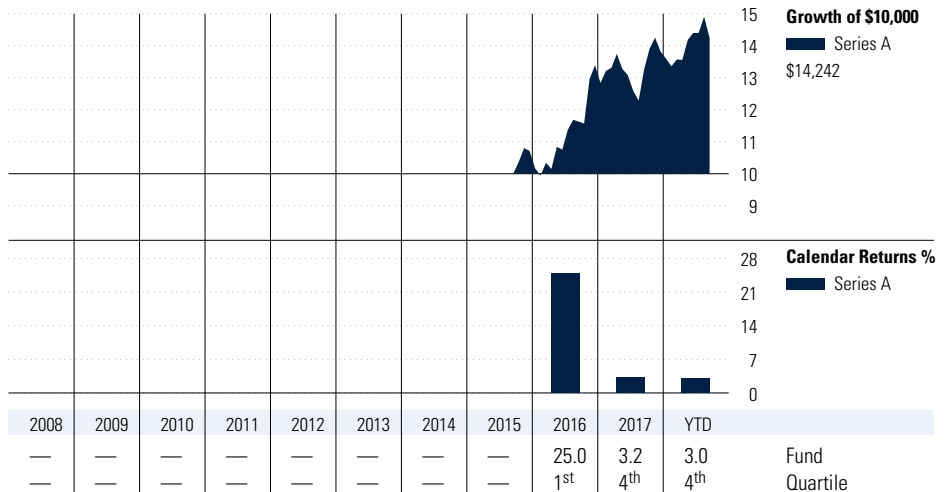
Equity Statistics

P/B Ratio	1.9
P/E Ratio	15.9
Avg. Mkt Cap. \$B	2.4

Global Equity Sectors

	% Equity
Financials	25.9
Industrials	19.6
Consumer Discretionary	9.2
Real Estate	8.7
Information Technology	8.4
Materials	6.1
Health Care	6.0
Energy	5.4
Utilities	5.1
Communication Services	3.1
Consumer Staples	2.3
Unclassified	0.0

Performance Analysis as of September 30, 2018



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	-4.5	-1.1	4.9	7.4	12.5	—	—	11.7	Fund
	4th	4th	4th	4th	3rd	—	—	—	Quartile
	302	298	293	271	192	125	66	—	No. of Funds in Category



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Management Overview

Manager Bios

Lance F. James

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

Lance F. James is Managing Director and Senior Portfolio Manager. He has been in the investment industry since 1980.

Performance Analysis Cont'd as of September 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	—	0.10	0.09	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	0.10	0.09	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	4-2017	35.4	9-2018	12.5	—	—	—	—
Worst	4-2018	-1.4	9-2018	12.5	—	—	—	—
Average		14.8		12.5				
No. of Periods		25		1				
Pct. Positive		96.0		100.0				

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

Quarterly Commentary as at September 30, 2018

Despite the slow start to 2018, we remain very confident in the portfolio's positioning. We are starting to see signs of a shift in investor sentiment as Consumer Discretionary and Industrials were among the top 5 sectors in the index. Every measure shows that the U.S. economy is beginning to run on all cylinders, supported by deregulation and tax cuts: unemployment is at near decade lows, workforce participation is sharply rising, business and consumer confidence are at or near multi-decade highs, industrial production and capital expansion are expanding, and GDP growth is at its fastest rate in 4 years.

The Fund's underperformance was primarily caused by adverse stock selection, while sector allocation decisions added modestly to overall returns. Adverse stock selection within the Financials, Energy, and Materials sector more than offset favorable stock selection within the Information Technology sector. The Fund's modest overweight to the relatively strong performing

Industrials sector added to performance from a sector allocations standpoint.

The Fund's strategy focuses on neglected small cap companies with attractive long-term fundamentals, near-term profitability improvement potential, and low relative valuations. The strategy emphasizes market leaders with proven products or services, sustainable competitive advantages, solid balance sheets, and attractive cash flows. While sector weightings are a result of bottom-up research and stock selection, and the strategy remains positioned for economic recovery. Downside protection is provided by the superior return on equity and balance sheet profile of the portfolio compared to the index and the market leadership positions of most portfolio companies. The strategy continues to trade at a valuation discount to the Russell 2000 Value Index on several measures while providing superior projected earnings growth and return on equity.



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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, 2018, 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 September 30, 2018.

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