



RBC Select Conservative Portfolio

Investment Objective

To provide income and the potential for moderate capital growth by investing primarily in funds managed by RBC GAM, emphasizing mutual funds that invest in Canadian fixed-income securities and have the potential to generate income. The portfolio maintains a balance of investments across several asset classes.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF461
A	No Load	USD	RBF516
Adv	Deferred Sales	CAD	RBF840
Adv	Front End	CAD	RBF740
Adv	Low Load	CAD	RBF100
Adv	Low Load	USD	RBF4516
T5	No Load	CAD	RBF545

Inception Date	December 1986
Total Fund Assets \$Mil	27,479.7
Series A NAV \$	21.50
Series A MER %	1.84
Benchmark	65% FTSE TMX CUB 15% S&P/TSX Capped Composite Total Return 10% S&P 500 Total Return (C\$) 10% MSCI EAFE Total Return Net (C\$)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

Fund Category	Global Neutral Balanced
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Management Company	RBC Global Asset Management Inc.
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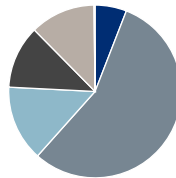
Web Site	www.rbcgam.com
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Notes

Performance Analysis is in CAD and for CAD series A fund (RBF461).

Portfolio Analysis as of January 31, 2018

Asset Mix

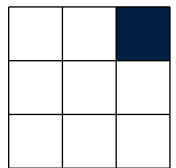


	% Assets
Cash	5.9
Fixed Income	55.7
Canadian Equity	14.2
US Equity	11.8
International Equity	12.2
Other	0.2

Top 10 Holdings

	% Assets
RBC Bond Fund	15.6
PH&N Total Return Bond Fund	9.0
RBC Canadian Short-Term Income Fund	8.1
RBC European Equity Fund	7.7
RBC Global Corporate Bond Fund	7.5
RBC Global Bond Fund	6.8
PH&N US Multi-Style All-Cap Equity Fund	5.2
RBC Canadian Dividend Fund	4.6
PH&N Conservative Equity Income Fund	4.2
RBC Private Canadian Equity Pool	3.7
Total % of Top 10 Holdings	72.4
Total Number of Portfolio Holdings	28
Total Number of Stock Holdings	2,937
Total Number of Bond Holdings	5,731
Total Number of Other Holdings	133
Total Number of Underlying Holdings	8,801

Equity Style



Value Blend Growth

Statistics

P/B Ratio	2.1
P/E Ratio	17.3
Avg. Mkt Cap. \$B	46.9

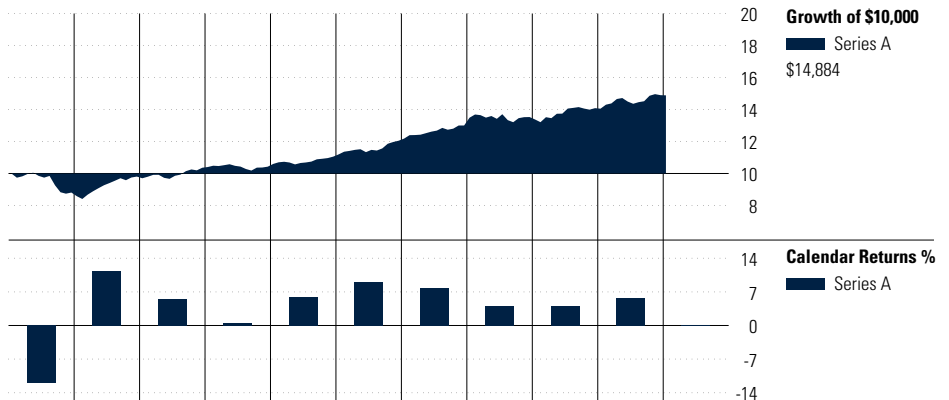
Top 5 Sectors

	% Equity
Financials	26.8
Information Technology	12.7
Industrials	11.0
Energy	10.8
Consumer Discretionary	10.7

Fixed Income Breakdown

	% Fixed Income
Government Bonds	47.8
Corporate Bonds	39.5
Other Bonds	1.2
Mortgage Backed Securities	0.9
ST Investments (Cash & Other)	9.6
Asset Backed Securities	1.0

Performance Analysis as of January 31, 2018



Year	Calendar Returns %	Fund Quartile
2008	-11.9	1 st
2009	11.3	4 th
2010	5.6	4 th
2011	0.6	1 st
2012	6.0	4 th
2013	9.0	4 th
2014	7.9	3 rd
2015	4.1	3 rd
2016	4.1	3 rd
2017	5.8	3 rd
YTD	-0.1	4 th

Period	Trailing Return %	Fund Quartile	No. of Funds in Category
1 Mth	-0.1	4 th	1366
3 Mth	0.2	4 th	1349
6 Mth	3.7	4 th	1315
1 Yr	5.9	4 th	1254
3 Yr	3.3	4 th	939
5 Yr	5.9	4 th	638
10 Yr	4.3	4 th	248
Since Incep.	6.3	—	—



RBC Select Conservative Portfolio

Management Overview

Manager Bios

Sarah Riopelle

RBC Global Asset Management Inc.

Sarah Riopelle is Vice President and Senior Portfolio Manager, Investment Solutions. Sarah began her investment career in 1996. She is a member of the RBC Investment Strategy Committee and is responsible for the firm's Portfolio Solutions. Sarah has a Bachelor of Commerce in Finance and International Management from the University of Ottawa and is a CFA charterholder.

Performance Analysis Cont'd as of January 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.32	0.56	0.96	1.14	0.44	0.35	0.35	0.39	0.30	0.30
Interest	—	0.10	0.11	0.12	0.09	0.13	0.14	0.14	0.17	0.22	0.25
Dividends	—	0.08	0.09	0.10	0.07	0.09	0.08	0.06	0.09	0.07	0.05
Capital Gains	—	0.15	0.35	0.74	0.98	0.22	0.13	0.15	0.14	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	7-1997	21.6	1-1998	13.8	3-1998	10.4	1-2005	7.7
Worst	2-2009	-13.7	2-2009	-2.6	2-2009	0.9	8-2010	3.3
Average		5.8		5.9		5.6		5.1
No. of Periods		289		265		241		181
Pct. Positive		85.5		95.5		100.0		100.0

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

Quarterly Commentary as at December 31, 2017

The global economy is running at the fastest clip in seven years supported by an increasingly broad-based expansion, favourable financial conditions and optimism among businesses and consumers. As a result, we nudged our global growth forecasts higher for 2018 and expect firming inflation. Our forecasts for growth and inflation are slightly above consensus.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Bonds issued by national governments posted modest returns in the fourth quarter of 2017 as inflation remained subdued and several major central banks extended bond-buying programs designed to hold down longer-term yields. Longer-maturity bonds outperformed short-dated securities on expectations that central banks will push up benchmark interest rates. Returns were aided by RBC Bond Fund and Phillips, Hager & North Total Return Bond Fund.

Global equities gained in all major regions, benefiting from the synchronized expansion and renewed profit growth. Japanese stocks outperformed on fiscal stimulus and pro-growth reforms, while the U.S. rallied on corporate-tax cuts. Europe and Canada gained too, but underperformed given their lower exposure to technology. The Fund's returns benefited from exposure to Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund, RBC European Equity Fund and RBC Asia-Pacific ex-Japan Equity Fund.

We expect bond yields to move gradually higher, supported by the improving economy and monetary tightening. Meanwhile, earnings have been coming through and analysts are optimistic that the trend can persist. U.S. corporate-tax cuts could provide an additional boost to profits. Against this backdrop, equities continue to offer superior total-return potential compared to fixed income and we have maintained our moderate overweight in stocks and underweight in bonds as a result.



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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, 2017, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the half-year period, April 1, to September 30, 2017, expressed on an annualized basis.

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, 2018.

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