



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	28,971.1
Series A NAV \$	20.85
Series A MER %	1.84
Benchmark	63% FTSE Canada Universe Bond Index 15% S&P/TSX Capped Composite Total Return Index 10% S&P 500 Total Return Index (CAD) 10% MSCI EAFE Total Return Net Index (CAD) 2% FTSE Canada 30 Day TBill Index

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

Fund Category	Global Neutral Balanced
---------------	-------------------------

Management Company	RBC Global Asset Management Inc.
--------------------	----------------------------------

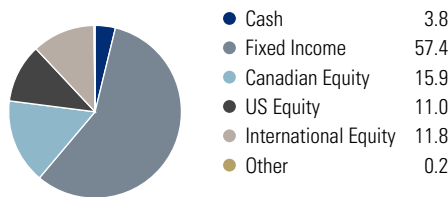
Web Site	www.rbcgam.com
----------	----------------

Notes

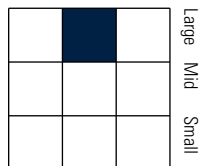
Performance Analysis is in CAD and for CAD series A fund (RBF461).

Portfolio Analysis as of January 31, 2019

Asset Mix



Equity Style



Value Blend Growth

Statistics

P/B Ratio	1.9
P/E Ratio	14.9
Avg. Mkt Cap. \$B	45.5

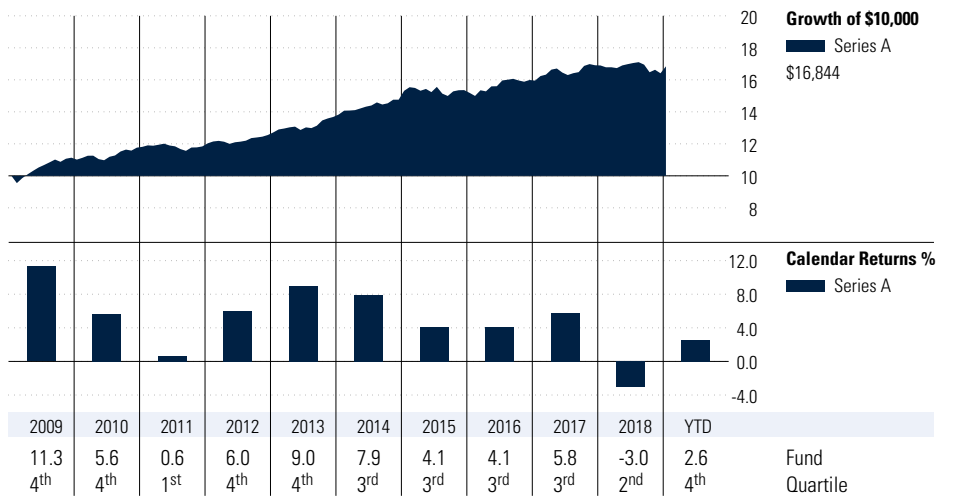
Top 5 Sectors

Sector	% Equity
Financials	25.0
Industrials	11.8
Energy	10.8
Information Technology	9.4
Health Care	9.2

Fixed Income Breakdown

Category	% Fixed Income
Government Bonds	47.2
Corporate Bonds	43.6
Other Bonds	1.4
Mortgage Backed Securities	0.9
ST Investments (Cash & Other)	6.2
Asset Backed Securities	0.7

Performance Analysis as of January 31, 2019



Period	Trailing Return %	Fund Quartile	No. of Funds in Category
1 Mth	2.6	4 th	1563
3 Mth	2.3	2 nd	1553
6 Mth	-1.2	2 nd	1507
1 Yr	-0.3	2 nd	1481
3 Yr	3.5	4 th	1051
5 Yr	4.0	3 rd	773
10 Yr	5.6	4 th	336
Since Incep.	6.1	—	—



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 charter holder.

Performance Analysis Cont'd as of January 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.56	0.32	0.56	0.96	1.14	0.44	0.35	0.35	0.39	0.30
Interest	—	0.14	0.10	0.11	0.12	0.09	0.13	0.14	0.14	0.17	0.22
Dividends	—	0.09	0.08	0.09	0.10	0.07	0.09	0.08	0.06	0.09	0.07
Capital Gains	—	0.34	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	8-2000	10.3	1-2005	7.7
Worst	2-2009	-13.7	2-2009	-2.6	2-2009	0.9	8-2010	3.3
Average		5.7		5.7		5.4		5.0
No. of Periods		289		265		241		181
Pct. Positive		84.8		95.5		100.0		100.0

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

Quarterly Commentary as at December 31, 2018

Economic growth decelerated as 2018 came to a close, leading to declines in stocks and corporate bonds in the fourth quarter. Other issues clouding the outlook for investors included the U.S.-China trade conflict, the terms of the U.K.'s exit from the European Union and tightening financial conditions.

The Fund's overweight position in equities and underweight position in fixed income had a negative impact on performance. The U.S. Federal Reserve (Fed) raised its benchmark interest rate in December, the fourth increase in 2018. However, government-bond yields declined on concern about the outlook for growth. Japanese and European bonds performed best, followed by Canadian and U.S. fixed income. Returns in the fixed-income segment of the portfolio were boosted by the RBC Bond Fund and the RBC Global Bond Fund.

Equities in developed markets in Europe and Asia, as well as in emerging markets, continued to decline in the fourth quarter. U.S. stocks, resilient

for most of 2018, experienced fourth-quarter declines that were among the steepest in global markets and wiped out gains achieved during the first three quarters of the year. Returns were held back by the RBC European Equity Fund and the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund.

We expect the trend of slowing global growth to continue into 2019. That said, further gradual tightening of monetary policy is expected, and rising rates could limit bond returns. The portfolio manager remains underweight fixed income, but used last year's rise in yields to increase the bond allocation as bonds can provide a cushion in an economic downturn. While we expect equity-market volatility to continue, stocks still offer superior return potential versus bonds, as long as earnings continue to grow as analysts expect. The Fund remains overweight equities, but equity exposure remains well below the peak earlier in the cycle.



RBC Select Conservative Portfolio

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.

This document has been compiled by RBC Global Asset Management Inc. (RBC GAM) from sources believed to be reliable, but no representations or warranty, express or implied, are made by RBC GAM, its affiliates

or any other person as to its accuracy, completeness or correctness. All opinions and estimates constitute RBC GAM's judgment as of the date of this document, are subject to change without notice and are provided in good faith but without legal responsibility. The Top Ten/25 Holdings may change due to ongoing portfolio transactions within the fund. The Prospectus and other information about the underlying investment funds are available at www.sedar.com.

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.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2019