



# RBC European Dividend Fund

## Investment Objective

To provide long-term total returns consisting of regular dividend income and modest capital growth. The fund invests primarily in common and preferred equity securities of major European companies with above average dividend yields.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF471
Adv	Front End	CAD	RBF6471
Adv	Low Load	CAD	RBF031

Inception Date	August 2014
Total Fund Assets \$Mil	165.0
Series A NAV \$	11.61
Series A MER %	2.09
Benchmark	MSCI Europe Total Return Net Index (\$C)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

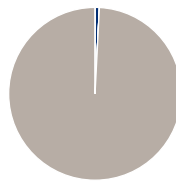
Fund Category	European Equity
---------------	-----------------

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

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

## Portfolio Analysis as of April 30, 2018

### Asset Mix

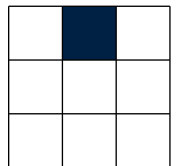


	% Assets
Cash	0.8
Fixed Income	0.0
Canadian Equity	0.0
US Equity	0.0
International Equity	99.2
Other	0.0

### Top 10 Holdings

	% Assets
Unilever NV DR	4.0
ING Groep NV	3.9
RELX NV	3.8
Roche Holding AG Dividend Right Cert.	3.7
Royal Dutch Shell PLC B	3.7
British American Tobacco PLC	3.7
Total SA	3.1
Novartis AG	3.0
Rubis SCA	2.9
Rio Tinto PLC	2.5
Total % of Top 10 Holdings	34.3
Total Number of Stock Holdings	46
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>47</b>

### Equity Style



### Equity Statistics

P/B Ratio	2.4
P/E Ratio	14.2
Avg. Mkt Cap. \$B	37.1

Value Blend Growth

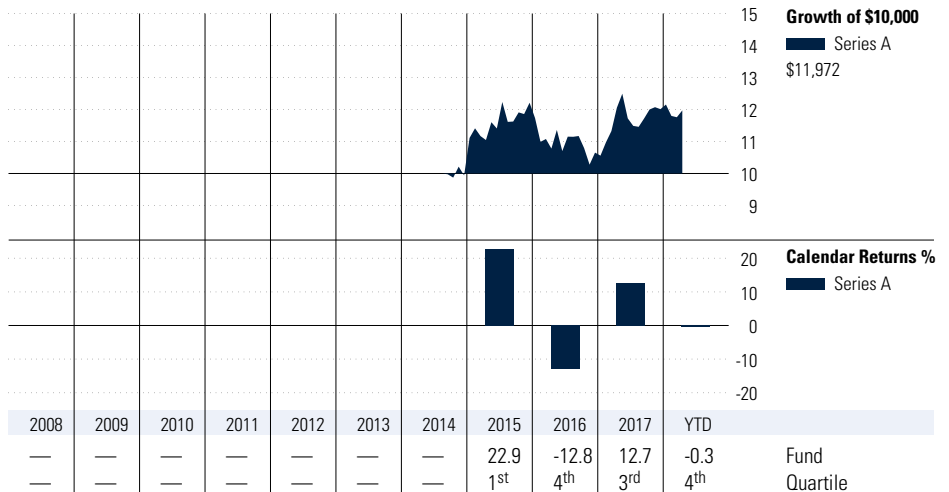
### Top 5 Sectors

	% Equity
Financials	21.4
Consumer Discretionary	16.2
Industrials	13.8
Consumer Staples	11.3
Energy	10.8

### Geographic Allocations

	% Assets
United Kingdom	38.9
Netherlands	13.3
Switzerland	10.6
France	9.7
Germany	7.9

## Performance Analysis as of April 30, 2018



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Fund	1.8	-1.5	-0.2	-0.7	2.7	—	—	5.6	Fund
Quartile	3 <sup>rd</sup>	4 <sup>th</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	4 <sup>th</sup>	—	—	—	Quartile
No. of Funds in Category	180	178	177	176	117	77	51	—	No. of Funds in Category



# RBC European Dividend Fund

## Management Overview

### Manager Bios

#### James Jamieson

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

James is a Portfolio Manager with the European Equity team of RBC Global Asset Management (UK) Limited. He co-manages both the European Equity strategy and the European Dividend strategy. James began his career with S&W Investment Management in the graduate program in 2008. He ultimately joined RBC Global Asset Management as an Associate Portfolio Manager in January 2014. James graduated from Imperial College in 2008 with a First Class BSc (Hons) degree in Applied Business, holds the Chartered MCSI and is a CFA charterholder.

#### 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 April 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.05	0.21	0.31	0.01	—	—	—	—	—	—	—
Interest	0.05	0.21	0.31	0.01	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2015	22.9	10-2017	6.7	—	—	—	—
Worst	11-2016	-13.3	2-2018	1.1	—	—	—	—
Average		4.0		4.2		—		—
No. of Periods		33		9		—		—
Pct. Positive		57.6		100.0		—		—

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

### Quarterly Commentary as at March 31, 2018

European equities fell during the quarter as volatility returned to markets after strong performance in 2017.

Markets around the globe felt the effects of a rise in protectionist policies, resulting in fears of a trade war emanating from the United States. This was accompanied by signs of a slowdown in European economic growth. The positive economic growth predicted for 2018 has not materialized so far, resulting in a reversal of the cyclical stock momentum as investors revert to more defensive sectors.

The Italian elections in early March yielded no clear victor as the Five Star Movement became the single largest party with 32% of the vote. The Lega Nord party eclipsed Silvio Berlusconi's Forza Italia by winning 17% of the vote, leaving the country to form a coalition government.

At a sector level, all sectors posted negative returns with Telecommunication Services the deepest in the red. Defensive sectors rallied in

March with Utilities, Consumer Staples and Health Care all posting positive returns, but were down overall during the quarter.

The best-performing stocks in the portfolio were the London Stock Exchange Group plc and clothing retailer, Next plc, while software company, Micro Focus International plc, and British American Tobacco plc were the largest drags on performance.

Significant competing headwinds and tailwinds remain as valuation polarization and political instability compete with positive earnings per share and GDP forecasts, although these tend to be lagging indicators. Question marks remain over the final composition of the Italian government and the ability of French President Macron to push through his labour reforms. However, our focus remains on the discipline of long-term investing in companies with strong competitive positions, low capital intensity, sustainable and/or improving profitability.



# RBC European Dividend Fund

## 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](http://www.sedar.com).

MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the full year period, January 1 to December 31, 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 April 30, 2018.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2018