



RBC U.S. Equity Value Fund

Investment Objective

To provide long-term capital growth. The fund invests primarily in equity securities of U.S. companies that are attractively valued relative to their peers, their own valuation history and the broader stock market while also offering long-term opportunities for growth.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF473
A	No Load	USD	RBF474
Adv	Front End	CAD	RBF6733
Adv	Low Load	CAD	RBF4073
Adv	Front End	USD	RBF6734
Adv	Low Load	USD	RBF4074

Inception Date	March 2014
Total Fund Assets \$Mil	48.9
Series A NAV \$	14.85
Series A MER %	1.87
Benchmark	S&P 500 Total Return Index (C\$)

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.
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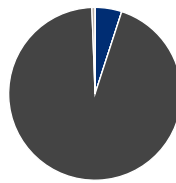
Web Site	www.rbcgam.com
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Notes

Performance Analysis is in CAD and for CAD series A fund (RBF473).

Portfolio Analysis as of January 31, 2019

Asset Mix

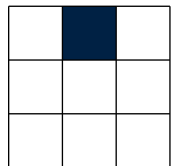


	% Assets
Cash	5.0
Fixed Income	0.0
Canadian Equity	0.0
US Equity	94.4
International Equity	0.6
Other	0.0

Top 10 Holdings

	% Assets
Microsoft Corp	4.1
Alphabet Inc A	3.7
Apple Inc	3.2
JPMorgan Chase & Co	2.3
Johnson & Johnson	2.1
UnitedHealth Group Inc	2.1
Facebook Inc A	2.0
Pfizer Inc	1.9
Berkshire Hathaway Inc B	1.9
Bank of America Corporation	1.8
Total % of Top 10 Holdings	25.1
Total Number of Stock Holdings	128
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	129

Equity Style



Value Blend Growth

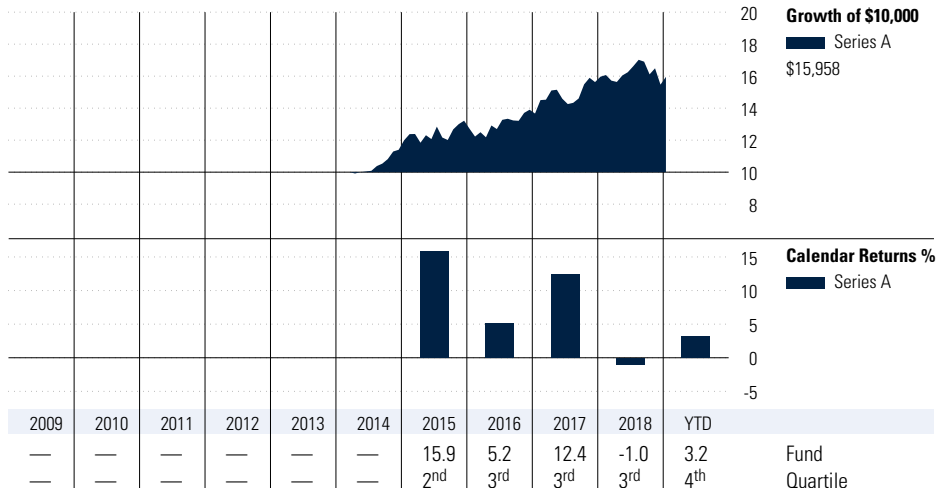
Equity Statistics

P/B Ratio	2.6
P/E Ratio	15.2
Avg. Mkt Cap. \$B	161.0

Global Equity Sectors

	% Equity
Information Technology	17.1
Financials	15.2
Health Care	14.1
Industrials	11.0
Communication Services	10.7
Consumer Discretionary	9.1
Consumer Staples	9.0
Energy	8.1
Materials	2.3
Real Estate	2.3
Utilities	1.2
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	3.2	-1.0	-4.0	-0.1	7.9	—	—	9.8	Fund
Quartile	4 th	3 rd	3 rd	3 rd	3 rd	—	—	—	Quartile
No. of Funds in Category	1572	1566	1514	1476	1057	721	299	—	No. of Funds in Category



RBC U.S. Equity Value Fund

Management Overview

Manager Bios

Stuart Kedwell

RBC Global Asset Management Inc.

Stuart Kedwell is Senior Vice President and Co-Head, North American Equities. He has been in the investment industry since 1997.

Doug Raymond

RBC Global Asset Management Inc.

Doug Raymond is Senior Vice President and Co-Head, North American Equities. He has been in the investment industry since 1985.

Performance Analysis Cont'd as of January 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.11	—	—	0.64	0.03	—	—	—	—	—
Interest	—	—	—	—	0.00	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.11	—	—	0.64	0.03	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	7-2015	27.4	4-2017	15.1	—	—	—	—
Worst	2-2016	-1.2	12-2018	5.4	—	—	—	—
Average		11.4		10.8				
No. of Periods		47		23				
Pct. Positive		93.6		100.0				

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

Quarterly Commentary as at December 31, 2018

The S&P 500 Index was not exempt from the most recent sell-off as tighter financial conditions, rising protectionism and slowing global growth were top of mind for investors. While analysts expect a more moderate pace of earnings growth in 2019, we think estimates are still at risk of being revised lower. Our view is based on the fact that economic growth, while still decent, is slowing and that margins have little room for improvement. Overall, our models suggest a low chance of recession over the next year, but the risk is rising.

In Q4, both security selection and sector allocation boosted returns. Health Care was a positive sector for the Fund, specifically due to overweight positions in companies like Pfizer, Eli Lilly, UnitedHealth Group and Edwards Lifesciences. Conversely in the Consumer Discretionary sector, an overweight of PVH Corp detracted. PVH made some poor merchandising decisions on their Calvin

Klein line, introducing higher priced jeans which they had to mark down. However, we continue to have faith in the management team going forward.

While our base case is for stocks to rise very modestly over the next year, there are several scenarios that could lead to different outcomes. A policy mistake by the U.S. Federal Reserve (Fed) (raising rates too fast) or an escalation of protectionist moves by the Trump administration (subjecting more goods to tariffs or raising the tariff rate) are the most likely causes of a downturn given the potential for both to stamp out the expansion. A possible upside scenario is that the expansion remains intact through 2021, perhaps because the Fed pauses its rate-hike cycle soon or the Trump administration comes to a trade agreement with China.



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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 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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