



# RBC Balanced Growth & Income Fund

## Investment Objective

To provide a combination of capital growth and modest income. The fund invests primarily in a diversified portfolio of income-producing equity and fixed-income securities from anywhere around the world either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF481
A	No Load	USD	RBF403
Adv	Deferred Sales	CAD	RBF881
Adv	Front End	CAD	RBF721
Adv	Low Load	CAD	RBF081
Adv	Low Load	USD	RBF4403
Adv T5	Deferred Sales	CAD	RBF887
Adv T5	Front End	CAD	RBF789
Adv T5	Low Load	CAD	RBF087
T5	No Load	CAD	RBF511
H	No Load	CAD	RBF381

Inception Date	August 2013
Total Fund Assets \$Mil	1,351.5
Series A NAV \$	12.59
Series A MER %	2.08
Benchmark	40% FTSE TMX Canada Universe Bond Index 25% S&P/TSX Capped Composite Total Return Index 20% S&P 500 Total Return Index (CAD) 10% MSCI Emerging Markets Total Return Net Index (CAD) 5% MSCI Europe Total Return Net Index (CAD)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

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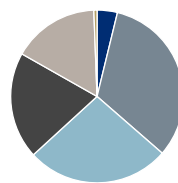
Web Site	www.rbcgam.com
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## Notes

Performance Analysis is in CAD and for CAD series A fund (RBF481).

## Portfolio Analysis as of May 31, 2017

### Asset Mix

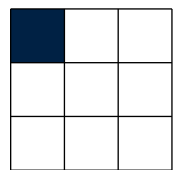


	% Assets
Cash	3.8
Fixed Income	32.6
Canadian Equity	26.8
US Equity	20.0
International Equity	16.2
Other	0.6

### Top 10 Holdings

	% Assets
PH&N Total Return Bond Fund	12.5
RBC Emerging Markets Dividend Fund	9.8
RBC Global Corporate Bond Fund	8.5
BlueBay Global Monthly Income Bond Fund	6.5
RBC Global High Yield Bond Fund	6.5
RBC European Dividend Fund	6.4
Royal Bank of Canada	1.4
Enbridge Inc	1.4
The Toronto-Dominion Bank	1.4
Bank of Nova Scotia	1.1
Total % of Top 10 Holdings	55.5
Total Number of Portfolio Holdings	190
Total Number of Stock Holdings	453
Total Number of Bond Holdings	5,084
Total Number of Other Holdings	206
<b>Total Number of Underlying Holdings</b>	<b>5,743</b>

### Equity Style



Value Blend Growth

### Statistics

P/B Ratio	1.9
P/E Ratio	15.4
Avg. Mkt Cap. \$B	37.9

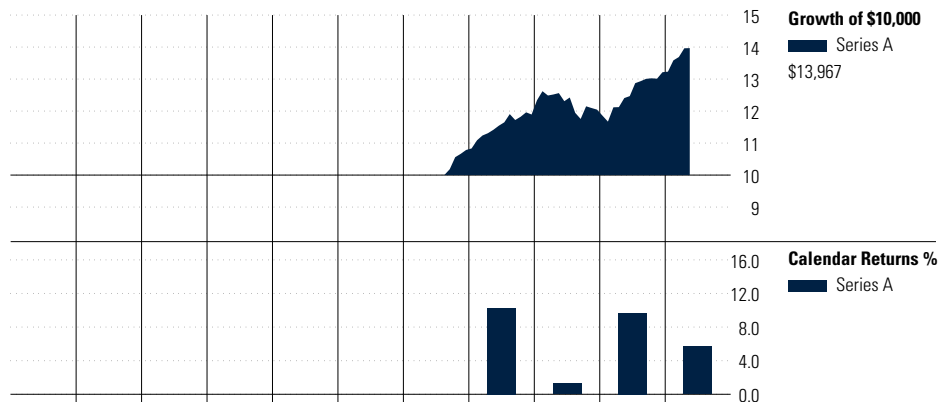
### Top 5 Sectors

	% Equity
Financials	24.1
Energy	14.9
Information Technology	10.4
Industrials	8.3
Consumer Discretionary	7.3

### Fixed Income Breakdown

	%	Characteristics	%
Govt. Bonds	36.5	Avg. Term to maturity (Yrs)	8.4
Corp. Bonds	58.6	Modified Duration (Yrs)	5.9
Other Bonds	1.6	Yield to Maturity	3.3
MBS	0.0		
Cash & Other	3.4		
ABS	0.0		

## Performance Analysis as of May 31, 2017



Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	YTD	Fund Quartile
Return %	—	—	—	—	—	—	—	10.3	1.3	9.7	5.7	—
Rank	—	—	—	—	—	—	—	2 <sup>nd</sup>	4 <sup>th</sup>	1 <sup>st</sup>	3 <sup>rd</sup>	—

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Return %	0.0	2.8	7.3	12.6	7.0	—	—	9.0	Fund
Rank	—	4 <sup>th</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	—	—	—	Quartile
No. of Funds in Category	1081	1076	1061	1009	668	463	200	—	—



# RBC Balanced Growth & Income Fund

## Management Overview

### Manager Bios

#### Jennifer McClelland

##### RBC Global Asset Management Inc.

Jennifer McClelland is Vice President and Senior Portfolio Manager, Canadian Equities. Jennifer began her investment career in 1993. She is a member of the North American equity team and is responsible for core and income-oriented Canadian equity mandates. Jennifer has a Bachelor Degree in Economics from the University of Western Ontario and is a CFA charterholder.

#### 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.

#### Brad Willock

##### RBC Global Asset Management Inc.

Brad Willock joined RBC in May 1996 and RBC Global Asset Management in July 2002. In his current role, he is responsible for core and income-oriented U.S. equity mandates. Brad has a Bachelor of Commerce and a Bachelor of Science, and is a CFA charterholder.

### Performance Analysis Cont'd as of May 31, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.02	0.16	0.42	0.40	0.10	—	—	—	—	—	—
Interest	0.02	0.07	0.07	0.06	0.05	—	—	—	—	—	—
Dividends	—	0.09	0.09	0.07	0.01	—	—	—	—	—	—
Capital Gains	—	—	0.27	0.27	0.03	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	8-2014	19.1	8-2016	9.0	—	—	—	—
Worst	2-2016	-7.5	3-2017	6.8	—	—	—	—
Average		7.2		7.4		—		—
No. of Periods		34		10		—		—
Pct. Positive		85.3		100.0		—		—

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

### Quarterly Commentary as at March 31, 2017

Global economic growth firmed, with a pickup in the Eurozone starting to factor into the expansion. In March, the U.S. Federal Reserve boosted its benchmark interest rate for the second time in three months, reflecting optimism about the expansion. However, longer-term U.S. bond yields fell late in the period on concern that President Trump might have trouble winning approval for his proposed economic reforms.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Major equity markets rose, led by Europe and emerging markets, amid optimism that economies around the world were gathering momentum. Performance was aided by the RBC Emerging Markets Dividend Fund and holdings in U.S. equities.

Canadian, U.S. and U.K. bonds posted gains, while the improved outlook for the Eurozone resulted in

losses for the region's government bonds. The Fund's fixed-income returns were aided by the BlueBay Global Monthly Income Bond Fund, the RBC Global High Yield Bond Fund and the PH&N Total Return Bond Fund.

Leading economic indicators are at their best levels in several years, economic surprises have been overwhelmingly positive and profits continue to recover. As a result, risk assets have performed well. We expect bond yields to rise, resulting in low or potentially negative returns over the years ahead, and we therefore remain underweight bonds. Long-term expected returns for stocks are more attractive, accounting for our equity overweight. In the near term, however, uncertainty surrounding U.S. public policy and a variety of style and technical factors have led us to reduce our exposure to stocks, where we remain overweight, but a little less so than before.



# RBC Balanced Growth & Income 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.

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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 and PH&N Funds is based on actual expenses for the full-year period, January 1 to December 31, 2016, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full-year period, April 1, 2016 to March 31, 2017, expressed on an annualized basis.

Adjusted MER is provided for funds with management fee changes effective June 30, 2016. The Adjusted MER represents what the reported MER would have been had management fee changes been in effect throughout 2016.

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.

PH&N Funds Series A formerly known as Series C.

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, 2017.

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