



RBC Emerging Markets Small-Cap Equity Fund

Investment Objective

To provide long-term total capital growth. The fund invests primarily in equity securities of small-cap companies located or active in emerging markets.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF485
Adv	Deferred Sales	CAD	RBF885
Adv	Front End	CAD	RBF715
Adv	Low Load	CAD	RBF085

Inception Date	August 2013
Total Fund Assets \$Mil	564.6
Series A NAV \$	13.34
Series A MER %	2.20
Benchmark	MSCI Emerging Markets Small-Cap Total Return Net Index (\$C)

Income Distribution	Annually
Capital Gains Distribution	Annually

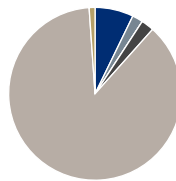
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

Fund Category	Emerging Markets Equity
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Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

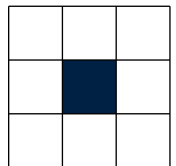
Portfolio Analysis as of September 30, 2018

Asset Mix



	% Assets
Cash	7.2
Fixed Income	2.0
Canadian Equity	0.0
US Equity	2.4
International Equity	87.3
Other	1.1

Equity Style



Value Blend Growth

Equity Statistics

P/B Ratio	2.0
P/E Ratio	14.0
Avg. Mkt Cap. \$B	1.9

Top 5 Sectors

	% Equity
Financials	22.7
Consumer Staples	19.7
Information Technology	17.9
Consumer Discretionary	14.2
Materials	8.6

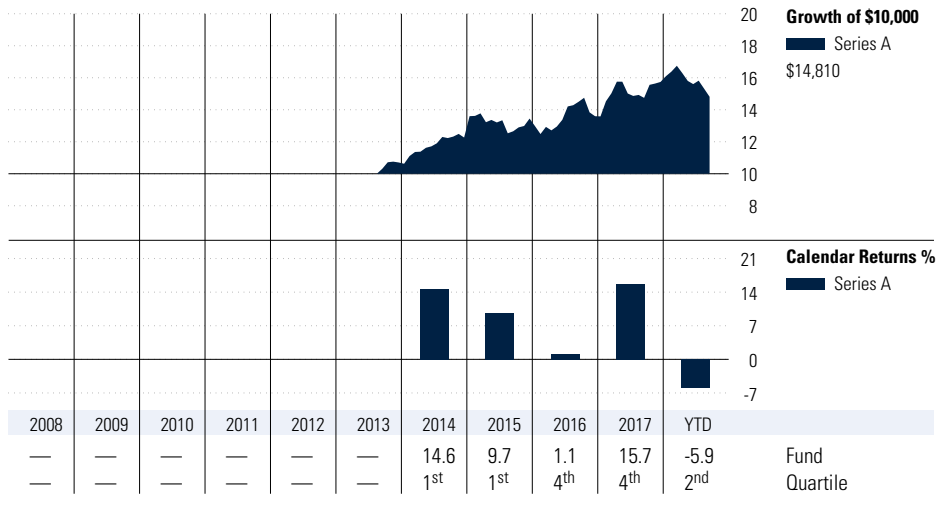
Geographic Allocations

	% Assets
India	20.5
Taiwan	10.2
South Korea	8.8
China	8.7
Brazil	7.9

Top 25 Holdings

	% Assets
Cyient Ltd	4.6
AVI Ltd	4.1
Bajaj Holdings and Investment Ltd	3.2
Aeon Thana Sinsap (Thailand) PCL DR	2.8
Godrej Industries Ltd	2.8
Marico Ltd	2.7
Century Pacific Food Inc	2.7
Koh Young Technology Inc	2.7
Duratex SA	2.6
Delta Electronics (Thailand) PCL	2.6
Samsonite International SA	2.4
Sundaram Finance Ltd	2.4
China BlueChemical Ltd H	2.2
Inversiones Aguas Metropolitanas SA	2.1
Wistron Neweb Corp	2.1
Aramex Pjsc, Participation Notes	2.0
TI Financial Holdings Ltd	2.0
Vitasoy International Holdings Ltd	2.0
Chroma Ate Inc	2.0
Corporacion Inmobiliaria Vesta SAB de CV	1.9
DGB Financial Group Co Ltd	1.8
Greatview Aseptic Packaging Co Ltd	1.8
Hatton National Bank PLC	1.8
Grupo Herdez SAB de CV	1.7
Standard Foods Corp	1.7
Total % of Top 25 Holdings	60.5
Total Number of Stock Holdings	54
Total Number of Bond Holdings	1
Total Number of Other Holdings	3
Total Number of Holdings	58

Performance Analysis as of September 30, 2018



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	-3.3	-5.1	-11.6	0.5	5.4	7.5	—	6.8	Fund
	4th	3rd	3rd	2nd	4th	2nd	—	—	Quartile
	251	247	230	228	147	118	55	—	No. of Funds in Category



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Management Overview

Manager Bios

Philippe Langham

RBC Global Asset Management (UK) Limited

Philippe is Head of Emerging Markets Equities & Senior Portfolio Manager. He has worked in the investment industry since 1992 and joined the firm in 2009 to establish and lead the team that manages the emerging markets equity strategies. Prior to RBC, Philippe was Head of Global Emerging Markets with Société Générale Asset Management S.A. Philippe holds a Bachelor's degree in Economics from the University of Manchester and is a qualified Chartered Accountant.

Performance Analysis Cont'd as of September 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.20	0.09	0.25	0.10	—	—	—	—	—	—
Interest	—	0.11	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.09	0.09	0.25	0.10	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	1-2015	28.0	8-2016	12.6	8-2018	8.9	—	—
Worst	2-2016	-8.3	9-2018	5.4	9-2018	7.5	—	—
Average		9.4		8.2		8.2		—
No. of Periods		50		26		2		—
Pct. Positive		90.0		100.0		100.0		—

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

Quarterly Commentary as at September 30, 2018

Emerging Market equities fell by -1.1% in Q3. This fairly muted overall number masks substantial volatility over the period. In particular, we have found wide dispersion in country performance, which has been the key driver of overall EM equity returns.

Amongst the top country performers over the quarter have been Thailand (+13.6%), Mexico (+6.9%) and Taiwan (+6.5%), while Turkey (-20.5%), China (-7.5%) and South Africa (-7.4%) have been amongst the worst. Turkey's poor performance has been driven by concerns over President Erdogan's influence on monetary policy and China has been weak on the back of the escalating trade tensions with the U.S. Thailand has benefited from strong export data and Mexico's new president, Andrés Manuel López Obrador, has adopted a more moderate stance than was first anticipated by markets.

Strong stock selection was the key driver of performance. From a top-down perspective, country positioning contributed positively to relative returns while sector positioning detracted.

At the country level, stock selection was especially strong in China and India. Our overweight to Thailand also helped. At the sector level, stock selection in Information Technology benefited relative returns, while an underweight position to Healthcare detracted.

The biggest contributor to relative returns during Q3 was our holding in Aeon Thana. The Thai Financials company continues to report strong results driven by cost efficiencies and strong loan growth. It has also been supported by a positive economic backdrop. Delta Electronics Thailand was a top contributor as its share price performed well over the quarter, supported by a tender offer from its parent company.

Godrej Industries was the biggest detractor from relative returns on the back of weakness in two of its underlying holdings. Moderating property sales weighed on the property business while the most recent results for the consumer business were slightly disappointing, especially in the international business segment.



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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, 2018, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full year period, April 1, 2017 to March 31, 2018.

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 September 30, 2018.

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