



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	454.5
Series A NAV \$	13.63
Series A MER %	2.40
Benchmark	MSCI Emerging Markets Small-Cap Total Return Net Index (\$C)

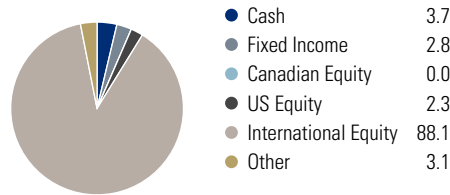
Income Distribution	Annually
Capital Gains Distribution	Annually

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

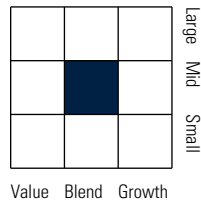
Fund Category	Emerging Markets Equity
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Portfolio Analysis as of August 31, 2017

Asset Mix



Equity Style



Equity Statistics

P/B Ratio	2.2
P/E Ratio	16.8
Avg. Mkt Cap. \$B	2.0

Top 5 Sectors

Sector	% Equity
Consumer Discretionary	23.7
Consumer Staples	21.5
Financials	18.0
Information Technology	15.9
Materials	7.4

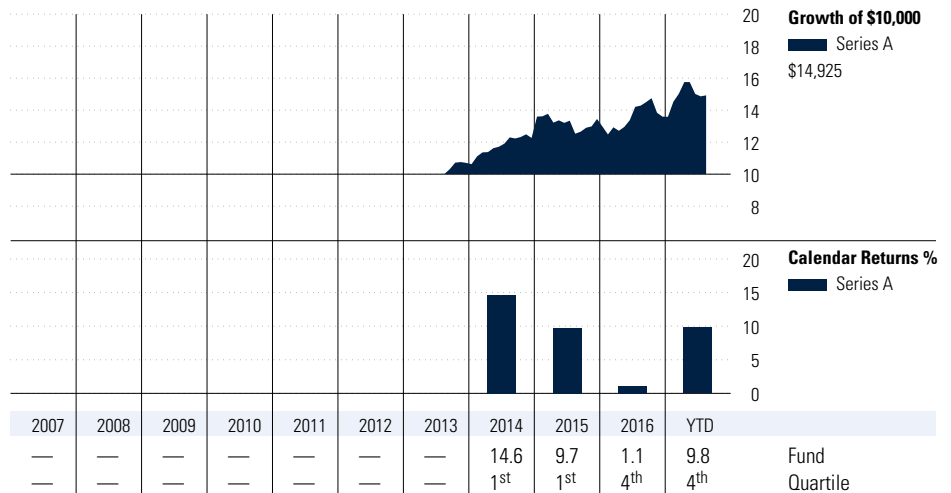
Geographic Allocations

Region	% Assets
India	20.4
Taiwan	16.1
Brazil	8.4
South Korea	7.2
Chile	6.8

Top 10 Holdings

Company	% Assets
Cyient Ltd	3.9
Delta Electronics Thailand Pcl	3.5
TI Financial Holdings Ltd	3.4
Bajaj Holdings and Investment Ltd	3.2
Godrej Industries Ltd	2.9
Aramex Pjsc, Participation Notes	2.8
Marico Ltd	2.8
Standard Foods Corp	2.7
Aeon Thana Sinsap (Thailand) PCL DR	2.7
Inversiones Aguas Metropolitanas SA	2.6
Total % of Top 10 Holdings	30.5
Total Number of Stock Holdings	55
Total Number of Bond Holdings	1
Total Number of Other Holdings	4
Total Number of Holdings	60

Performance Analysis as of August 31, 2017



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
0.4	-5.3	2.7	4.5	6.7	—	—	8.9	Fund
4 th	4 th	4 th	4 th	2 nd	—	—	—	Quartile
253	253	246	217	159	109	49	—	No. of Funds in Category



RBC Emerging Markets Small-Cap Equity Fund

Management Overview

Manager Bios

Philippe Langham

RBC Global Asset Management (UK) Limited

Philippe Langham is Head, Emerging Markets Equities & Senior Portfolio Manager. He has worked in the investment industry since 1992 and in 2009 joined the firm to establish and lead the team that manages RBC Emerging Markets Equity Fund. Philippe is a graduate of the University of Manchester in England, where he earned a Bachelor's degree in Economics. He is also a qualified Chartered Accountant.

Performance Analysis Cont'd as of August 31, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	—	0.09	0.25	0.10	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	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	—	—	—	—
Worst	2-2016	-8.3	8-2017	6.7	—	—	—	—
Average		10.1		9.7				
No. of Periods		37		13				
Pct. Positive		86.5		100.0				

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

Quarterly Commentary as at June 30, 2017

Q2 saw a continuation of the Emerging Markets' strong outperformance and Emerging Market (EM) equities continued to rise at a steady pace due to the continued weakness of the U.S. dollar and strong investor flows. Despite this, Q2 has been unusual since the value rally witnessed in 2016 has not continued. Reflation expectations, which resurfaced after Trump's election, continued to fade during in Q2.

Greece and Hungary were the best performing markets, benefitting from the risk-on environment in Europe. China performed well following MSCI's decision to add 222 A-shares to its indices, a move which boosted the performance of large-cap stocks.

Qatar was the worst performer after several Gulf Co-operation Council countries severed their diplomatic ties with it. Russia underperformed due to currency losses and a low oil price. Brazil was also negative due to commodity downturns and political uncertainty.

At the country level, strong stock selection in Indonesia and Hong Kong were the key contributors. Stock selection in Brazil detracted from relative returns due to our holdings in Mahle-Metal Leve, Duratex and Natura Cosmetics. Mahle-Metal and Duratex suffered from a weakening economic outlook in Brazil, while Natura came under pressure after the market's negative reaction to the announcement that it had made an offer to acquire The Body Shop.

From a sector perspective, Utilities was a key contributor to returns, notably holdings in Inversiones Aguas and Indraprashtha Gas. Strong stock selection in the Consumer Discretionary sector, particularly holdings in Ace Hardware and Samsonite International, also contributed. Stock selection in the Information Technology sector slightly detracted, notably our holding in Delta Electronics Thailand and Sonda.



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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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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 half-year period, January 1 to June 30, 2017, 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.

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 August 31, 2017.

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