



# RBC QUBE Low Volatility Canadian Equity Fund

## Investment Objective

To provide long-term capital growth by investing primarily in equity securities of Canadian companies using a quantitative investment approach. The fund seeks to achieve a reduced level of volatility of returns as compared to the broader Canadian equity market.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF489
Adv	Deferred Sales	CAD	RBF819
Adv	Front End	CAD	RBF719
Adv	Low Load	CAD	RBF019
T5	No Load	CAD	RBF419

Inception Date	November 2012
Total Fund Assets \$Mil	1,883.2
Series A NAV \$	13.52
Series A MER %	1.88
Benchmark	S&P/TSX Capped Composite Total Return Index

Income Distribution	Annually
Capital Gains Distribution	Annually

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

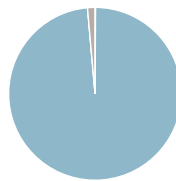
Fund Category	Canadian Equity
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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## Portfolio Analysis as of May 31, 2018

### Asset Mix

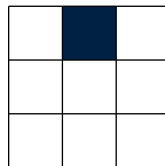


	% Assets
Cash	0.1
Fixed Income	0.0
Canadian Equity	98.5
US Equity	0.0
International Equity	1.4
Other	0.0

### Top 10 Holdings

	% Assets
Royal Bank of Canada	4.9
Bank of Nova Scotia	4.8
Constellation Software Inc	4.3
Saputo Inc	4.3
Canadian National Railway Co	4.2
Bank of Montreal	4.0
BCE Inc	4.0
George Weston Ltd	3.9
TELUS Corp	3.9
Hydro One Ltd	3.8
Total % of Top 10 Holdings	41.9
Total Number of Stock Holdings	77
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>78</b>

### Equity Style



Value Blend Growth

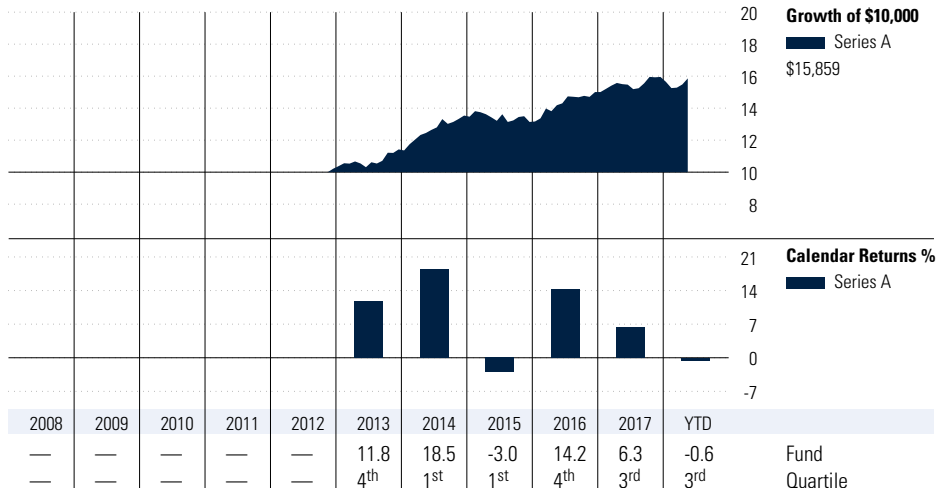
### Equity Statistics

P/B Ratio	1.9
P/E Ratio	14.4
Avg. Mkt Cap. \$B	19.9

### Global Equity Sectors

	% Equity
Financials	24.4
Consumer Staples	14.2
Industrials	10.4
Utilities	9.5
Real Estate	9.3
Telecommunication Services	8.2
Energy	7.4
Consumer Discretionary	5.7
Information Technology	5.6
Materials	3.7
Health Care	1.6
Unclassified	0.0

## Performance Analysis as of May 31, 2018



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	2.5	4.0	-0.4	2.3	5.7	8.5	—	9.0	Fund
	3 <sup>rd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	2 <sup>nd</sup>	1 <sup>st</sup>	—	—	Quartile
	607	606	598	586	418	332	154	—	No. of Funds in Category



# RBC QUBE Low Volatility Canadian Equity Fund

## Management Overview

### Manager Bios

#### Bill Tilford

#### RBC Global Asset Management Inc.

Bill is Head of Quantitative Investments at RBC Global Asset Management Inc. (RBC GAM). He has been working in the investment industry since 1986. Prior to joining RBC GAM, Bill was VP & Head of Global Corporate Securities (Public Market Investments) at a federal Crown corporation, where he managed one of the world's largest Global market neutral/overlay portfolios. For 12 years, he was a partner at a large Canadian asset manager. He holds an M.Math (Statistics & Finance) and a BA in Math (Hons).

### Performance Analysis Cont'd as of May 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.48	0.56	0.28	0.69	0.19	0.04	—	—	—	—
Interest	—	0.00	0.02	0.01	0.01	—	—	—	—	—	—
Dividends	—	0.11	0.14	0.07	0.09	0.08	0.01	—	—	—	—
Capital Gains	—	0.36	0.40	0.20	0.59	0.12	0.03	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	8-2014	26.3	8-2016	11.8	11-2017	9.8	—	—
Worst	2-2016	-3.3	2-2018	3.4	2-2018	7.6	—	—
Average		9.2		8.0		8.5		—
No. of Periods		55		31		7		—
Pct. Positive		89.1		100.0		100.0		—

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

### Quarterly Commentary as at March 31, 2018

The Canadian equity market declined this quarter, lagging all major markets amid a global equity sell-off that was triggered by major spikes in U.S. market volatility in February and March. The Canadian market suffered due to concerns about rising yields, uncertainty surrounding NAFTA negotiations and increased U.S. protectionism. The release of the 2018 Federal Budget had a minimal impact on market returns as it revealed few surprises. The S&P/TSX Capped Composite Index returned -4.5% in Q1 with Information Technology and Real Estate as the only positive-performing sectors. While the Health Care sector was the weakest of the group, its impact on returns was moderate, given its small index weight. The Energy sector detracted the most from returns, given the continued weakness of domestic prices for crude oil. Financials was the second-largest detractor, mainly due to poor stock-specific performance, though concerns over higher interest rates and their impact on consumer debt also loom over the sector.

In the Consumer Staples sector, a position in Saputo Inc. held back the Fund's returns over the quarter. The Energy sector was a large detractor to performance with positions in TransCanada Corp. and Imperial Oil Ltd. having negative impacts.

In the Information Technology sector, the Fund's positions in CGI Group Inc. and Constellation Software Inc. added significantly to returns. In the Industrials sector, a holding in CAE Inc. was a large contributor.

Earnings expectations and investor optimism are high as global synchronized growth continues in developed and emerging markets. Credit markets support economic growth as interest rates remain low internationally. More recently, protectionist trade moves by U.S. President Trump have shaken markets. An escalation of protectionist policy could accelerate inflation and likely stunt global growth.



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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 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 May 31, 2018.

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