



RBC U.S. Mid-Cap Value Equity Fund

Investment Objective

To provide long-term capital growth. The fund invests primarily in equity securities of U.S. mid-cap companies that are deemed to be undervalued in order to provide broad exposure to economic growth opportunities in the equity markets.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF492
A	No Load	USD	RBF542
Adv	Deferred Sales	CAD	RBF892
Adv	Front End	CAD	RBF792
Adv	Low Load	CAD	RBF092
Adv	Front End	USD	RBF6542
Adv	Low Load	USD	RBF4542

Inception Date	January 2012
Total Fund Assets \$Mil	671.9
Series A NAV \$	12.99
Series A MER %	2.03
Benchmark	Russell Midcap Value Index (CS)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

Fund Category	US Small/Mid Cap Equity
---------------	-------------------------

Management Company	RBC Global Asset Management Inc.
--------------------	----------------------------------

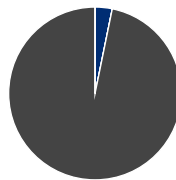
Web Site	www.rbcgam.com
----------	----------------

Notes

Performance Analysis is in CAD and for CAD series A fund (RBF492).

Portfolio Analysis as of October 31, 2017

Asset Mix

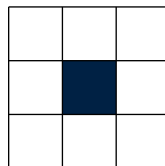


	% Assets
Cash	3.2
Fixed Income	0.0
Canadian Equity	0.0
US Equity	96.8
International Equity	0.0
Other	0.0

Top 10 Holdings

	% Assets
National General Holdings Corp	4.3
Newell Brands Inc	3.7
AmTrust Financial Services Inc	3.4
Andeavor	3.2
Jazz Pharmaceuticals PLC	3.1
Mohawk Industries Inc	2.7
Alaska Air Group Inc	2.7
Lam Research Corp	2.6
Cavium Inc	2.6
Parsley Energy Inc A	2.5
Total % of Top 10 Holdings	30.8
Total Number of Stock Holdings	74
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	75

Equity Style



Value Blend Growth

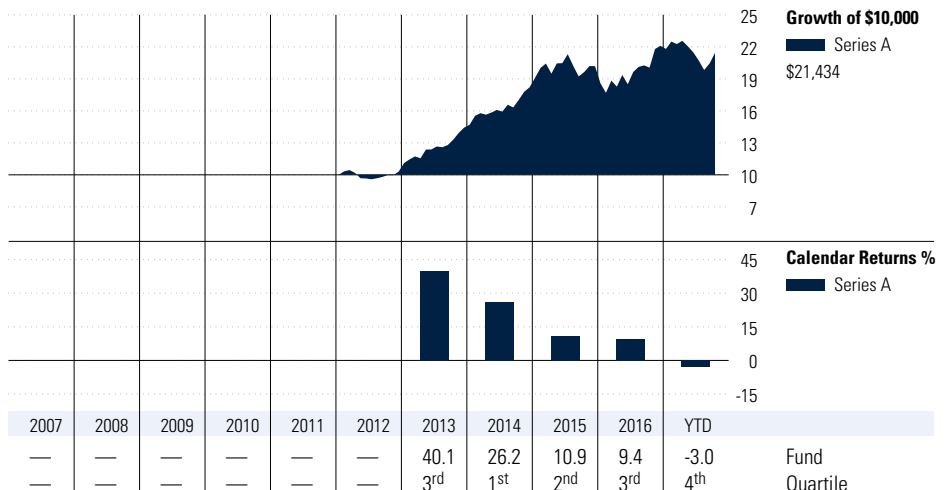
Equity Statistics

P/B Ratio	1.8
P/E Ratio	19.0
Avg. Mkt Cap. \$B	10.6

Global Equity Sectors

	% Equity
Financials	21.0
Consumer Discretionary	15.3
Information Technology	15.3
Energy	11.6
Real Estate	8.2
Health Care	8.0
Utilities	6.6
Industrials	5.9
Materials	4.3
Consumer Staples	2.1
Telecommunication Services	1.8
Unclassified	0.0

Performance Analysis as of October 31, 2017



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	4.9	3.4	-5.0	6.9	8.0	16.5	—	14.2	Fund
	2 nd	4 th	4 th	4 th	3 rd	3 rd	—	—	Quartile
	273	270	266	254	154	104	54	—	No. of Funds in Category



RBC U.S. Mid-Cap Value Equity Fund

Management Overview

Manager Bios

Lance F. James

RBC Global Asset Management (U.S.) Inc.

Lance F. James is Managing Director and Senior Portfolio Manager. He has been in the investment industry since 1980.

Stephen E. Kylander

RBC Global Asset Management (U.S.) Inc.

Stephen E. Kylander is Vice President and Senior Portfolio Manager. He has been in the investment industry since 1986.

Performance Analysis Cont'd as of October 31, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	—	0.18	1.56	3.87	1.26	0.08	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.18	1.56	3.87	1.26	0.08	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2013	40.1	7-2015	30.5	5-2017	17.9	—	—
Worst	2-2016	-11.7	8-2017	6.2	8-2017	15.4	—	—
Average		18.2		18.5		16.7		
No. of Periods		58		34		10		
Pct. Positive		84.5		100.0		100.0		

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

Quarterly Commentary as at September 30, 2017

The U.S. economic growth acceleration that began in the middle of last year has largely continued into Q3. Major equity indices hit record highs in Q3, shrugging off escalating geo-political tensions between the U.S. and North Korea as well as two consecutive category 4 hurricanes that ravaged the south. However, the preference for “risk off” sectors of the market has been an important theme this year and continued for the most part in Q3 as Washington’s continued lack of clarity or action on any major pro-growth fiscal policies promised by the Trump administration has weighed on the more economically sensitive areas of the market.

Stock selection in the Financials and Consumer Discretionary sectors weighed the most on returns and more than offset favorable selection in the Information Technology and Real Estate sectors. In terms of sector allocation decisions, the Fund’s

moderate underweight to the poor performing Real Estate sector boosted returns. Despite the underperformance, the team is staying disciplined in their process, continuing to focus on valuation and fundamentals in the companies that we hold.

The Fund seeks to be invested in companies with attractive business fundamentals whose stocks are trading at a discount. Overall positioning of the portfolio is done primarily on a bottom-up basis with relative valuation gaps influencing portfolio construction within defined limits. The portfolio continues to be based on the premise that a diversified portfolio of companies with attractive return characteristics, opportunity for improvement, and low absolute and relative stock valuation metrics provide an attractive investment option and seek to avoid and at times exploit excesses that arise in both bear and bull markets.



RBC U.S. Mid-Cap Value Equity 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.

This document has been compiled by RBC Global Asset Management Inc. (RBC GAM) from sources believed to be reliable, but no representations or warranty, express or implied, are made by RBC GAM, its affiliates or any other person as to its accuracy,

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 October 31, 2017.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2017