



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	626.0
Series A NAV \$	11.87
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
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Management Company	RBC Global Asset Management Inc.
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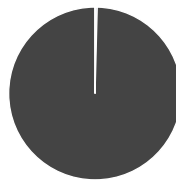
Web Site	www.rbcgam.com
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Notes

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

Portfolio Analysis as of January 31, 2018

Asset Mix

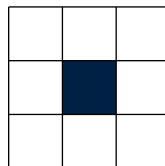


	% Assets
Cash	0.4
Fixed Income	0.0
Canadian Equity	0.0
US Equity	99.6
International Equity	0.0
Other	0.0

Top 10 Holdings

	% Assets
National General Holdings Corp	3.1
Synchrony Financial	3.1
Jazz Pharmaceuticals PLC	2.7
Citizens Financial Group Inc	2.5
Mohawk Industries Inc	2.5
Steel Dynamics Inc	2.3
Andeavor	2.2
Signature Bank	2.1
Microsemi Corp	2.0
SVB Financial Group	1.9
Total % of Top 10 Holdings	24.4
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

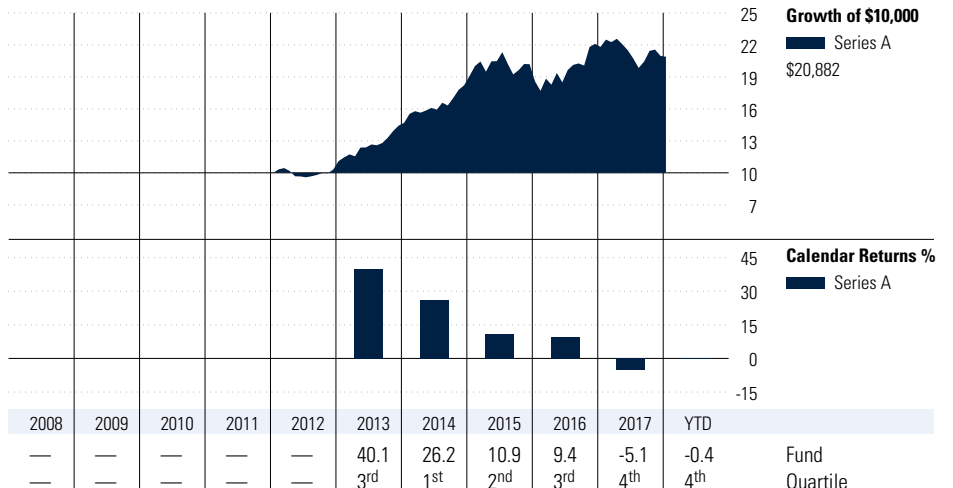
Equity Statistics

P/B Ratio	1.8
P/E Ratio	16.4
Avg. Mkt Cap. \$B	10.3

Global Equity Sectors

	% Equity
Financials	20.5
Consumer Discretionary	15.4
Industrials	11.6
Information Technology	11.3
Real Estate	9.9
Utilities	8.5
Energy	7.8
Health Care	7.1
Materials	5.1
Consumer Staples	2.7
Unclassified	0.0
Telecommunication Services	0.0

Performance Analysis as of January 31, 2018



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	-0.4	-2.6	0.8	-4.2	3.0	13.5	—	13.1	Fund
	4 th	4 th	4 th	4 th	4 th	3 rd	—	—	Quartile
	291	271	265	254	178	99	57	—	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.

Performance Analysis Cont'd as of January 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.81	0.18	1.56	3.87	1.26	0.08	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.81	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	1-2018	3.0	1-2018	13.5	—	—
Average		17.1		17.5		16.4		—
No. of Periods		61		37		13		—
Pct. Positive		80.3		100.0		100.0		—

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

Quarterly Commentary as at December 31, 2017

The major story of the fourth quarter 2017 was the passage of the Tax Reform Bill – the largest overhaul of the U.S. tax system in more than 30 years, and the Republican Party’s first major legislative win under President Trump. The ~\$1.5T plan, which goes into effect in 2018, will cut the corporate tax rate from 35% to 21%. While the late quarter passage of the bill ultimately limited its impact on market returns in the 4th quarter, the anticipation and subsequent passage of this bill along with continued strong economic data helped infuse the markets with optimism heading into year-end.

The Fund underperformed due to adverse stock selection. Stock selection within the Health Care, Financials and Consumer Discretionary sectors were the largest detractors from performance and more than outweighed favorable stock selection within Information Technology and Consumer

Staples. From a sector allocation standpoint, the significant underweight to Real Estate added to performance but was offset by a modest overweight to the poorly performing Telecommunication Services sector.

The Fund seeks to be invested in companies with attractive business fundamentals whose stocks are trading at a discount. Overall positioning of the Fund is done primarily on a bottom-up basis with relative valuation gaps influencing portfolio construction within defined limits. The Fund 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.



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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, 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 January 31, 2018.

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