

PH&N U.S. Equity Fund

Investment Objective

To provide significant long-term capital growth by investing primarily in a well-diversified portfolio of quality U.S. common stocks.

Fund Details

Series	Load Structure	Currency	Fund Code
F	No Load	CAD	RBF5160

Inception Date	June 2007
Total Fund Assets \$Mil	596.8
Series F NAV \$	68.37
Series F MER %	0.77
Benchmark	S&P 500 Total Return Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

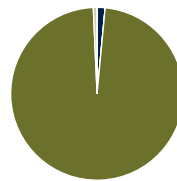
Fund Category	US Equity
---------------	-----------

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

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

Portfolio Analysis as of April 30, 2018

Asset Mix

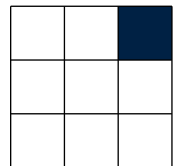


	% Assets
Cash	1.5
Fixed Income	0.0
Canadian Equity	0.0
US Equity	97.8
International Equity	0.7
Other	0.0

Top 10 Holdings

	% Assets
Amazon.com Inc	4.3
Microsoft Corp	3.7
Apple Inc	3.7
Alphabet Inc C	3.2
JPMorgan Chase & Co	1.9
Bank of America Corporation	1.9
Facebook Inc A	1.8
Johnson & Johnson	1.8
Berkshire Hathaway Inc B	1.7
UnitedHealth Group Inc	1.6
Total % of Top 10 Holdings	25.8
Total Number of Stock Holdings	145
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	146

Equity Style



Value Blend Growth

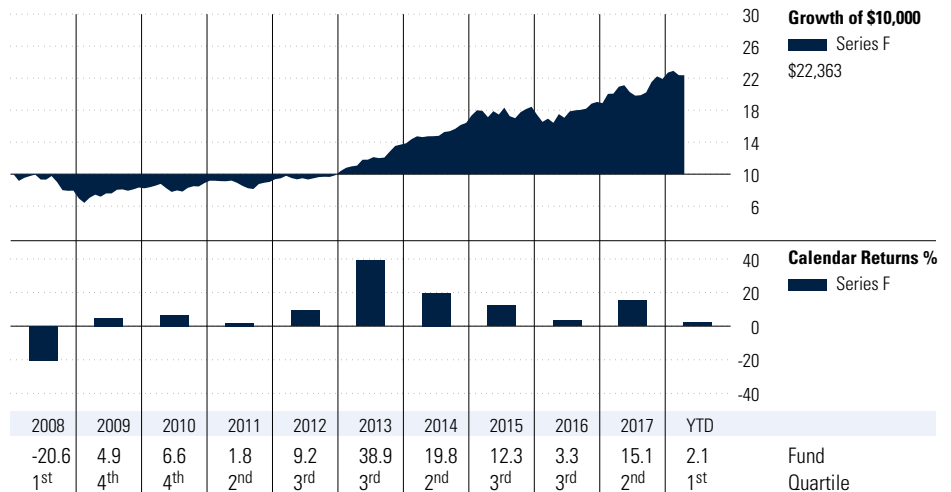
Equity Statistics

P/B Ratio	2.8
P/E Ratio	17.8
Avg. Mkt Cap. \$B	142.1

Global Equity Sectors

	% Equity
Information Technology	25.1
Financials	15.7
Health Care	15.1
Consumer Discretionary	13.1
Industrials	9.8
Energy	7.4
Consumer Staples	6.4
Materials	2.6
Utilities	2.5
Real Estate	1.8
Telecommunication Services	0.4
Unclassified	0.0

Performance Analysis as of April 30, 2018



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
0.0	-1.5	3.9	6.8	9.3	15.1	8.6	6.4	Fund
3 rd	2 nd	1 st	2 nd	3 rd	2 nd	3 rd	—	Quartile
1439	1429	1419	1355	920	617	264	—	No. of Funds in Category

PH&N U.S. Equity Fund

Management Overview

Manager Bios

Stuart Kedwell

RBC Global Asset Management Inc.

Stuart Kedwell is Senior Vice President and Co-Head, North American Equities. He has been in the investment industry since 1997.

Doug Raymond

RBC Global Asset Management Inc.

Doug Raymond is Senior Vice President and Co-Head, North American Equities. He has been in the investment industry since 1985.

Performance Analysis Cont'd as of April 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.46	0.65	0.51	0.75	0.44	0.29	0.28	0.28	0.39	0.30
Interest	—	0.46	0.65	0.51	0.75	0.44	0.29	0.28	0.28	0.39	0.30
Dividends	—	0.00	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	11-2013	40.1	7-2015	25.2	11-2017	18.1	2-2018	9.6
Worst	2-2009	-30.0	6-2010	-11.9	6-2012	-3.6	6-2017	5.9
Average		9.0		11.5		12.9		7.9
No. of Periods		119		95		71		11
Pct. Positive		79.0		84.2		90.1		100.0

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

Quarterly Commentary as at March 31, 2018

Uncertainty returned to financial markets in early 2018 following a long period of strong returns and minimal volatility that lasted for most of the 2017. The reversal started with strong U.S. wage-growth data, which led to concerns that higher inflation may force the U.S. Federal Reserve to increase interest rates at a faster pace than previously anticipated. With markets beginning to find their feet in the latter stages of February, renewed concerns over U.S. trade protectionism resulted in additional volatility, starting with U.S. tariffs on steel and aluminum and continuing with Chinese threats in response.

Security selection and asset allocation contributed this quarter, led by a few strong overweight positions. PVH Corp. reported strong fiscal 2017 results with robust strength in its Calvin Klein and Tommy Hilfiger brands. Over the quarter, we were also overweight in Amazon.com Inc., which had great fourth quarter 2017 results. Amazon

continues to grow its market share and expand its offerings, boosting margins and expanding reach. Conversely, Dollar Tree Inc. was a negative performer this quarter, mainly because it shared intentions to invest more tax windfall into the business rather than distribute it to shareholders. Nevertheless, the Fund's portfolio managers are positive on the stock going forward.

The economic backdrop remains positive by post-crisis standards as many macroeconomic indicators monitored by the portfolio managers show reasons to remain positive. While key risks of an aging business cycle, rising interest rates and protectionism persist, upside potential remains from structural reforms in Japan and U.S. fiscal stimulus. On balance, the portfolio managers expect the positives to outweigh the negatives, further driving potential in the stock market.

PH&N U.S. 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 fund securities are not guaranteed or covered by the Canada 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.

Phillips, Hager & North Investment Management (PH&N IM) is a division of RBC Global Asset Management Inc. (RBC GAM). RBC GAM is the fund manager and the principal portfolio adviser of PH&N Funds. The principal distributor of PH&N Funds is Phillips, Hager & North Investment Funds Ltd. (PH&NIF), which uses the trade name PH&N

Investment Services. RBC GAM is an indirect, wholly-owned subsidiary of Royal Bank of Canada.

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 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 April 30, 2018.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2018