



# RBC O'Shaughnessy Canadian Equity Fund

## Investment Objective

To provide a long-term total return by investing primarily in equity securities of Canadian and U.S. companies based on Strategy Indexing®, a rigorous and disciplined approach to stock selection based on characteristics associated with above average returns over long periods of time.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF550
Adv	Front End	CAD	RBF775
Adv	Low Load	CAD	RBF128

Inception Date	November 1997
Total Fund Assets \$Mil	688.8
Series A NAV \$	22.10
Series A MER %	1.54
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

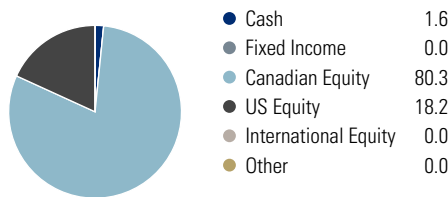
Fund Category	Canadian Focused Equity
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Management Company	RBC Global Asset Management Inc.
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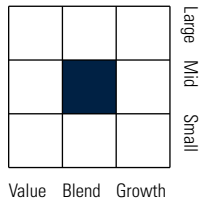
Web Site	www.rbcgam.com
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## Portfolio Analysis as of April 30, 2018

### Asset Mix



### Equity Style



### Equity Statistics

P/B Ratio	1.9
P/E Ratio	12.0
Avg. Mkt Cap. \$B	10.8

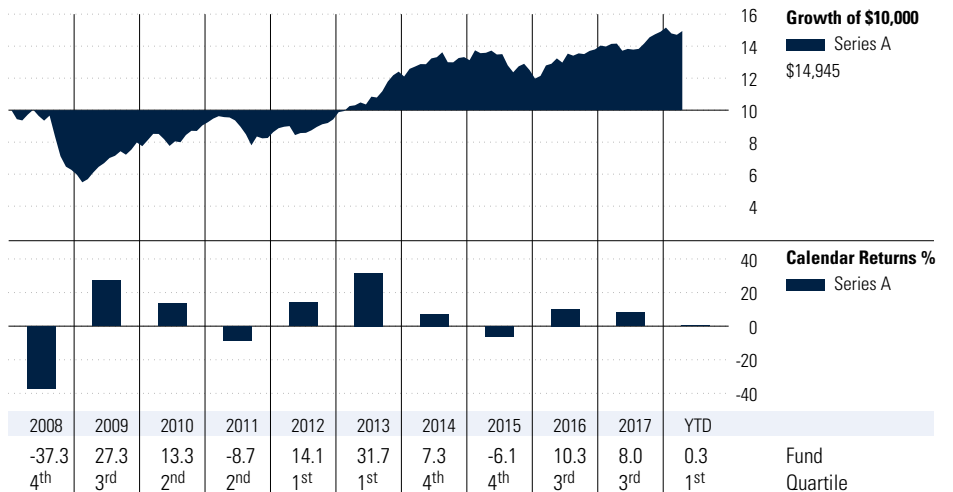
### Global Equity Sectors

Sector	% Equity
Financials	22.1
Materials	19.5
Consumer Discretionary	15.1
Consumer Staples	10.7
Industrials	8.9
Health Care	6.9
Real Estate	5.3
Energy	5.3
Information Technology	4.0
Utilities	1.2
Telecommunication Services	1.1
Unclassified	0.0

### Top 10 Holdings

Company	% Assets
Sun Life Financial Inc	3.8
Teck Resources Ltd Class B	3.2
Methanex Corp	2.9
Canadian Tire Corp Ltd Class A	2.7
Air Canada Class B	2.7
Express Scripts Holding Co	2.6
West Fraser Timber Co.Ltd	2.4
Manulife Financial Corp	2.3
The Toronto-Dominion Bank	2.2
Great-West Lifeco Inc	2.2
Total % of Top 10 Holdings	27.1
Total Number of Stock Holdings	122
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>123</b>

## Performance Analysis as of April 30, 2018



Period	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Return	1.6	-1.4	2.7	5.6	3.2	7.7	4.4	7.7	Fund
Rank	2 <sup>nd</sup>	2 <sup>nd</sup>	1 <sup>st</sup>	1 <sup>st</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	—	Quartile
No. of Funds	735	729	726	716	534	423	209	—	No. of Funds in Category



# RBC O'Shaughnessy Canadian Equity Fund

## Management Overview

### Manager Bios

#### Jim P. O'Shaughnessy

##### O'Shaughnessy Asset Management

Jim O'Shaughnessy is the Chairman, Chief Investment Officer and Portfolio Manager at O'Shaughnessy Asset Management (OSAM). Jim is ultimately responsible for OSAM's investment strategies and is an equity owner in OSAM and a member of the firm's Executive Committee. Prior to founding OSAM, Jim was the Director of Systematic Equity at Bear Stearns Asset Management and a Senior Managing Director of the firm. Prior to Bear Stearns, he was the CEO and Chairman of O'Shaughnessy Capital Management (Netfolio).

#### Patrick O'Shaughnessy

##### O'Shaughnessy Asset Management

Patrick O'Shaughnessy is the Chief Executive Officer at O'Shaughnessy Asset Management (OSAM). Patrick oversees the day-to-day business of the firm, directing OSAM's initiatives in the areas of research and portfolio management, investor education and client service and relationships. He also serves as a Portfolio Manager. Prior to his role as CEO, Patrick spent 11 years on OSAM's Research & Portfolio Management team, working to improve the firm's investment strategies.

### Performance Analysis Cont'd as of April 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.16	0.24	0.14	0.11	0.16	0.21	0.09	0.14	0.30	0.43
Interest	—	0.00	—	—	—	—	—	—	—	0.01	0.18
Dividends	—	0.16	0.24	0.14	0.11	0.16	0.21	0.09	0.14	0.28	0.25
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	3-2010	49.8	3-2006	26.9	10-2007	18.9	8-2008	13.4
Worst	2-2009	-41.8	2-2009	-13.8	5-2012	-4.2	5-2017	2.7
Average		9.1		9.0		9.0		6.9
No. of Periods		234		210		186		126
Pct. Positive		73.9		84.3		89.2		100.0

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

### Quarterly Commentary as at March 31, 2018

An overweight allocation to the Value factor was the largest contributor to returns for the quarter, supported by an overweight allocation to the Growth factor. Small size relative to the market hurt returns as smaller-cap stocks underperformed for the quarter. Additionally, an overweight allocation to the Momentum factor detracted from performance. The Financial Strength, Quality, and Yield factors aided returns for the quarter.

Overall allocation effects and overall security-selection effects contributed to returns for the quarter. With security selection, holdings in Materials, Health Care, Real Estate and Energy aided returns while Information Technology detracted. An underweight allocation to Energy and an overweight allocation to Consumer

Discretionary contributed to performance while an overweight allocation to Health Care hurt performance.

Our research of individual stock data leads us to believe that Value, Momentum, and Quality are critically important to future outperformance. We consistently avoid sectors and industries that exhibit unfavourable characteristics and hone in on areas of the market that are favourable in the ways we deem relevant. Given the portfolio's positioning relative to its benchmark –measured by key characteristics we use in our stock selection process – we believe the portfolio is well situated for the rest of 2018.



# RBC O'Shaughnessy Canadian 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.

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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](http://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.

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