



# RBC Canadian Index Fund

## Investment Objective

To provide long-term capital growth by investing in primarily the same securities and in the same proportions as its benchmark, either directly or indirectly through investment in units of other mutual funds managed by RBC GAM.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF556

Inception Date	October 1998
Total Fund Assets \$Mil	769.0
Series A NAV \$	29.91
Series A MER %	0.72
Benchmark	FTSE Canada All Cap Domestic 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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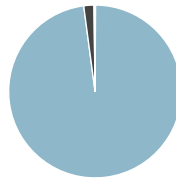
Web Site	www.rbcgam.com
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## Notes

Fund's investment objective changed June 30, 2017.

## Portfolio Analysis as of January 31, 2018

### Asset Mix

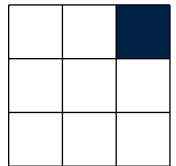


	% Assets
Cash	0.1
Fixed Income	0.0
Canadian Equity	97.8
US Equity	1.9
International Equity	0.2
Other	0.0

### Top 10 Holdings

	% Assets
Royal Bank of Canada	7.3
The Toronto-Dominion Bank	6.6
Bank of Nova Scotia	4.7
Suncor Energy Inc	3.5
Enbridge Inc	3.5
Canadian National Railway Co	3.5
Bank of Montreal	3.1
CIBC	2.5
Manulife Financial Corp	2.4
Canadian Natural Resources Ltd	2.4
Total % of Top 10 Holdings	39.5
Total Number of Stock Holdings	210
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>211</b>

### Equity Style



Value Blend Growth

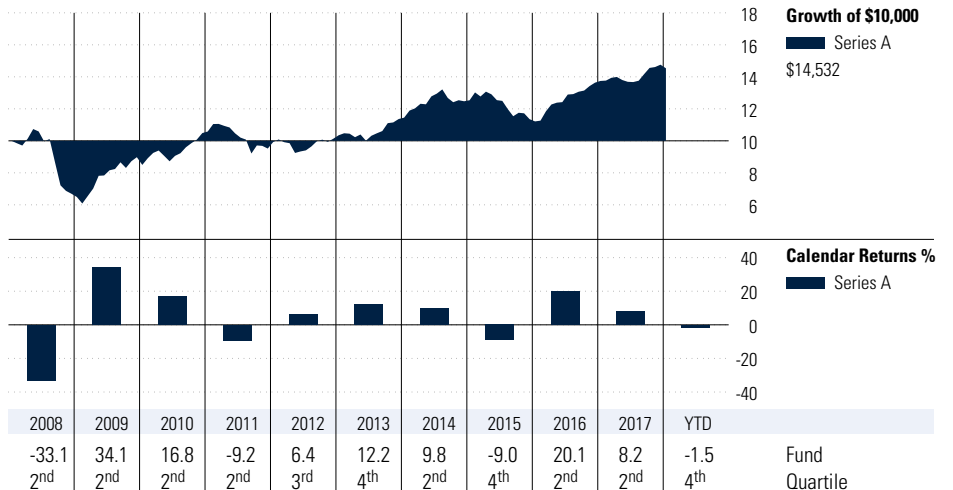
### Equity Statistics

P/B Ratio	1.7
P/E Ratio	16.1
Avg. Mkt Cap. \$B	27.6

### Global Equity Sectors

	% Equity
Financials	37.0
Energy	19.6
Materials	11.5
Industrials	9.5
Consumer Discretionary	5.4
Telecommunication Services	4.7
Consumer Staples	3.8
Information Technology	2.9
Utilities	2.8
Real Estate	2.4
Health Care	0.6
Unclassified	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 %
-1.5	-0.2	6.3	5.7	5.1	7.0	4.3	7.6	Fund
4 <sup>th</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	—	Quartile
603	596	592	578	416	315	152	—	No. of Funds in Category



# RBC Canadian Index Fund

## Management Overview

### Manager Bios

#### State Street Global Advisors (Montreal)

SSgA's focus has been on providing highly disciplined risk controlled investment strategies to the global marketplace. SSgA has offices in 28 location around the world, with on-site portfolio management services in Boston, London, Montreal, Munich, Paris, Hong Kong, Sydney and Tokyo.

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

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.57	0.57	0.56	0.54	0.58	0.45	0.46	0.42	0.43	0.51
Interest	—	0.01	—	—	—	—	—	—	—	—	0.09
Dividends	—	0.56	0.57	0.56	0.54	0.58	0.45	0.46	0.42	0.43	0.42
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	8-2000	60.6	3-2006	25.3	10-2007	20.2	3-2013	9.3
Worst	2-2009	-38.3	3-2003	-10.8	5-2012	-1.6	8-2010	2.5
Average		8.2		6.7		7.2		6.1
No. of Periods		220		196		172		112
Pct. Positive		70.5		77.6		95.3		100.0

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

### Quarterly Commentary as at December 31, 2017

Alongside the Eurozone, Canada has been the source of a significant positive growth surprise in 2017. It was already evident early this year that the economy's long adjustment to the plunge in energy prices in late 2014 was nearing an end. The most dramatic result so far has been a swift change in course by the Bank of Canada (BoC), who, having cut interest rates twice in 2015, began removing some of that accommodation with 0.25% hikes in July and September.

The labor market improvement has been impressive: Canada has added 344,000 jobs through the first eleven months of this year, compared with 230,000 in 2016 and 152,000 in 2015. Not only has the economy been adding jobs at a brisk pace, but it has been adding full-time positions that come with greater earning power, supporting consumer confidence and spending. Given this improvement, the BoC's recent actions look fully justified.

Our view is that closure of the output gap warrants the continuation of a gradual tightening cycle. Essentially, we expect the BoC to mirror the U.S.

Federal Reserve's path in 2018 and deliver three rate hikes over the course of 2018. This appears reasonable even though growth will likely slow in 2018 on a combination of less favorable base effects, a (delayed) slowdown in housing activity, fading out of the child tax credit effects, and the anticipated pickup in inflation.

The top 3 performing sectors by contribution to return were Financials, Industrials and Materials. The bottom 3 performing sectors were Energy, Health Care, and Real Estate.

From our vantage point, there are two main risks to the 2018 outlook. The fate of NAFTA is front and center: although we work under the assumption that a mutually acceptable compromise will be reached, we are following the negotiations very closely for signs of a worse outcome. We are similarly watching the housing sector for signs of a disruptive adjustment to regulatory changes already implemented and others set to take effect in January.



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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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