



# RBC International Index Currency Neutral Fund

## Investment Objective

To provide long-term capital growth, while minimizing the exposure to currency fluctuations between foreign currencies and the Canadian dollar, by tracking the performance of 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	RBF559

Inception Date	October 1998
Total Fund Assets \$Mil	411.8
Series A NAV \$	12.60
Series A MER %	0.71
Benchmark	MSCI EAFE Total Return Net Index (local currency)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

Fund Category	International Equity
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Management Company	RBC Global Asset Management Inc.
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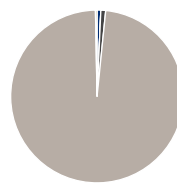
Web Site	www.rbcgam.com
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## Notes

Fund's investment objective changed June 30, 2017.

## Portfolio Analysis as of October 31, 2017

### Asset Mix

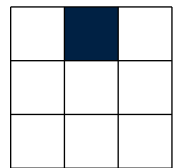


	% Assets
Cash	0.7
Fixed Income	0.0
Canadian Equity	0.0
US Equity	0.9
International Equity	98.1
Other	0.3

### Top 10 Holdings

	% Assets
Nestle SA	1.6
HSBC Holdings PLC	1.2
Novartis AG	1.2
Samsung Electronics Co Ltd	1.2
Roche Holding AG Dividend Right Cert.	1.0
Toyota Motor Corp	1.0
British American Tobacco PLC	0.9
Royal Dutch Shell PLC Class A	0.8
BP PLC	0.8
Royal Dutch Shell PLC B	0.8
Total % of Top 10 Holdings	10.6
Total Number of Stock Holdings	1,398
Total Number of Bond Holdings	0
Total Number of Other Holdings	14
<b>Total Number of Holdings</b>	<b>1,412</b>

### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	1.7
P/E Ratio	15.2
Avg. Mkt Cap. \$B	39.3

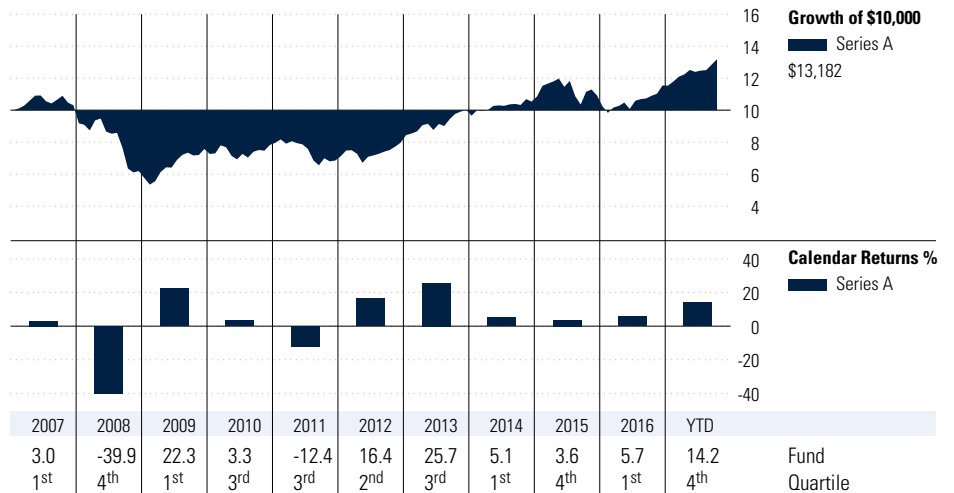
### Top 5 Sectors

	% Equity
Financials	21.2
Industrials	15.2
Consumer Discretionary	12.4
Consumer Staples	10.8
Health Care	9.1

### Geographic Allocations

	% Assets
Japan	23.7
United Kingdom	17.0
France	9.5
Germany	8.9
Switzerland	6.7

## 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 %
2.7	5.7	7.7	21.0	8.5	11.9	1.9	4.1	Fund
4 <sup>th</sup>	3 <sup>rd</sup>	1 <sup>st</sup>	1 <sup>st</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	—	Quartile
542	537	534	509	343	270	136	—	No. of Funds in Category



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## 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 October 31, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	—	0.12	—	—	—	—	—	—	—	—	0.65
Interest	—	0.12	—	—	—	—	—	—	—	—	0.65
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	3-2010	40.3	3-2006	26.3	9-2007	16.6	3-2013	6.5
Worst	10-2008	-41.7	3-2003	-21.3	5-2012	-9.3	2-2009	-3.0
Average		4.6		3.8		3.9		1.9
No. of Periods		217		193		169		109
Pct. Positive		64.1		60.1		60.4		67.0

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

### Quarterly Commentary as at September 30, 2017

Materials, Energy and Consumer Discretionary were the top performing sectors by contribution to return in CAD\$ in Q3. The laggards were the Consumer Staples, Health Care and Telecommunication Services. The best performing countries by contribution to return in CAD\$ were France, Germany and United Kingdom. Japan, Ireland and Portugal were the bottom performers.

The economy has fared better than most had dared hope in the immediate aftermath of the Brexit vote. Moreover, it does not appear that conditions in either the labor market or the economy as a whole are about to take an abrupt turn for the worse. The employment component of the purchasing managers' index for services has strengthened in each of the last three months and jumped meaningfully in August.

We anticipate that consumer price inflation will moderate next year. Germany has boomed for some time, with the unemployment rate falling steadily since early 2014. France has improved of late, but has generally lagged Germany during this

recovery, with the unemployment rate not beginning to fall until late-2015. And, Italy has really struggled, with the labor market improvement stalling in 2016. Last year, the ongoing failure to boost inflation prompted the Bank of Japan (BoJ) to conduct a comprehensive assessment of its policy actions. And in light of that, it changed the policy framework yet again. The emphasis on controlling the yield-curve reflects concerns about financial sector profitability, while the commitment to overshooting the inflation target highlights the BoJ's need to enhance its credibility on this issue. Given the projected lack of progress on inflation, we expect the BoJ to maintain this policy stance through the end of 2018.

Despite heightened geopolitical intrigue with North Korea, a series of devastating hurricanes in August and September and a firming outlook for policy tightening, market volatility levels closed Q3 near 24 year lows.



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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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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 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.

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