



# RBC O'Shaughnessy International Equity Fund

## Investment Objective

To provide a long-term total return, consisting of capital growth and current income by investing primarily in equity securities outside of North America 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	RBF586
Adv	Front End	CAD	RBF761
Adv	Low Load	CAD	RBF109

Inception Date	January 2005
Total Fund Assets \$Mil	304.0
Series A NAV \$	9.75
Series A MER %	2.25
Benchmark	MSCI EAFE Total Return Net Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

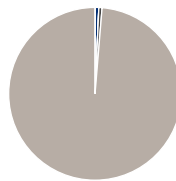
Fund Category	International Equity
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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## Portfolio Analysis as of January 31, 2019

### Asset Mix

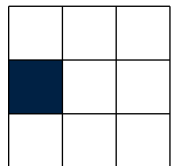


	% Assets
Cash	0.7
Fixed Income	0.0
Canadian Equity	0.0
US Equity	0.6
International Equity	98.7
Other	0.0

### Top 10 Holdings

	% Assets
Astellas Pharma Inc	2.8
Burberry Group PLC	2.5
Eni SpA	2.4
Koninklijke Ahold Delhaize NV	2.0
Equinor ASA	1.7
Suzuken Co Ltd	1.7
Ageas NV	1.7
Rio Tinto PLC	1.7
EXOR NV	1.7
Skandinaviska Enskilda Banken AB A	1.4
Total % of Top 10 Holdings	19.7
Total Number of Stock Holdings	175
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>176</b>

### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	1.4
P/E Ratio	10.8
Avg. Mkt Cap. \$B	9.8

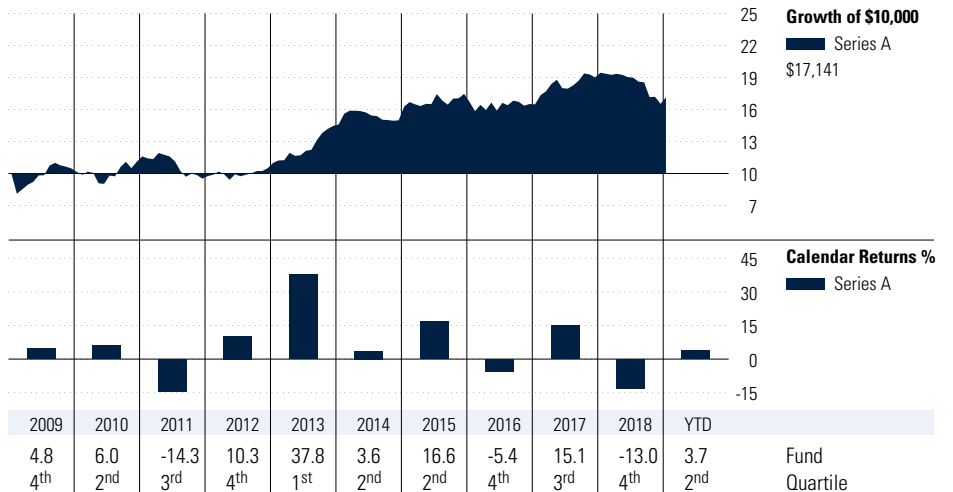
### Top 5 Sectors

	% Equity
Financials	16.0
Industrials	13.0
Consumer Staples	11.1
Consumer Discretionary	11.1
Health Care	9.9

### Geographic Allocations

	% Assets
Japan	22.7
United Kingdom	16.4
Australia	11.2
Netherlands	6.5
France	4.9

## Performance Analysis as of January 31, 2019



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
3.7	0.0	-9.7	-11.9	0.9	3.3	6.9	2.4	Fund
2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	—	Quartile
675	671	639	611	424	321	178	—	No. of Funds in Category



# RBC O'Shaughnessy International Equity Fund

## Management Overview

### Manager Bios

#### Jim P. O'Shaughnessy

##### O'Shaughnessy Asset Management

Jim O'Shaughnessy is the Chairman of O'Shaughnessy Asset Management (OSAM). Also serving as the Chief Investment Officer of the firm, Jim is ultimately responsible for OSAM's investment strategies. He directs the Senior Portfolio Manager, Director of Research, and the Portfolio Management Team and helps to set the agenda for the team. He is also responsible for the development of OSAM's existing strategies and directs the team on idea generation and specific initiatives to improve the models and develop new factors and products.

#### 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 January 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.33	0.18	0.20	0.15	0.23	0.14	0.20	0.31	0.12	0.12
Interest	—	0.33	0.18	0.20	0.15	0.23	0.14	0.20	0.31	0.12	0.12
Dividends	—	—	0.00	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	3-2014	41.3	7-2015	21.4	5-2017	14.8	1-2019	6.9
Worst	3-2009	-41.3	5-2010	-19.9	5-2012	-11.9	1-2017	-0.5
Average		4.5		3.2		4.6		2.3
No. of Periods		157		133		109		49
Pct. Positive		65.0		65.4		59.6		93.9

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

### Quarterly Commentary as at December 31, 2018

From a factor perspective, our exposure to smaller-capitalization companies was positive. Our overweight exposure to the Value factor was also a positive contributor to performance. The largest factor detractors were Shareholder Yield and our overweight exposure to companies with strong Earnings Quality.

From a sector perspective, allocation and selection effects were negative. Communication Services and Utilities were the top contributors to allocation effects. Meanwhile, Energy and Real Estate were the top detractors. Healthcare and Consumer Staples were the top contributors to selection effects. Meanwhile, Industrials and Energy were the top detractors.

From a country perspective, overall allocation effects had no effect on performance and selection effects detracted. An overweight and selection within the Netherlands and Israel were the top

contributors. Meanwhile, overweights and selection in Japan and Norway were the top detractors.

Based on our key themes, decades of testing and more than 15 years of live performance, we believe the International Equity fund is well positioned relative to the overall market. The portfolio's companies have higher levels of return-on-capital, lower reliance on external financing, and trade at deep discounts across several valuation factors. They are also returning capital to shareholders at a significantly higher rate than the benchmark and exhibit strong momentum. As the year progresses, we will continue to focus on our niche of the market: quality companies, often trading at out-of-favor prices with strong momentum, which are aggressively returning capital to equity shareholders through dividends and share repurchases.



# RBC O'Shaughnessy International 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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MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the preceding calendar year or most recent half-year period ended June 30 expressed on an annualized basis, depending on availability of data at the time of publication.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the preceding full year period ended March 31 or half-year period ended September 30 expressed on an annualized basis, depending on availability of data at the time of publication.

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, 2019.

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