



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	384.4
Series A NAV \$	11.46
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

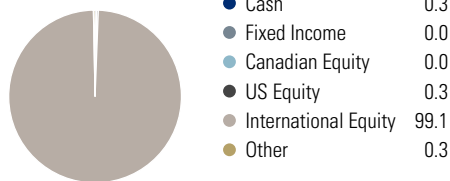
Fund Category	International Equity
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Management Company	RBC Global Asset Management Inc.
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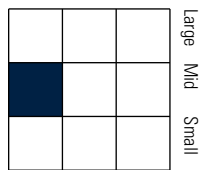
Web Site	www.rbcgam.com
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Portfolio Analysis as of January 31, 2018

Asset Mix



Equity Style



Value Blend Growth

Equity Statistics

P/B Ratio	1.5
P/E Ratio	12.8
Avg. Mkt Cap. \$B	6.7

Top 5 Sectors

Sector	% Equity
Financials	17.3
Industrials	14.2
Consumer Discretionary	12.0
Consumer Staples	10.9
Materials	10.5

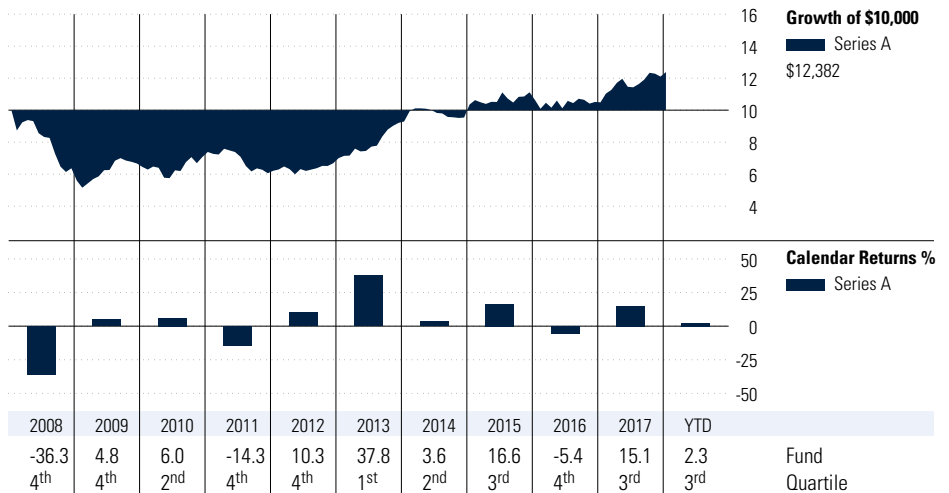
Geographic Allocations

Region	% Assets
Japan	26.4
United Kingdom	14.6
Australia	7.4
France	7.0
Denmark	6.6

Top 10 Holdings

Company	% Assets
Novo Nordisk A/S B	2.4
Fiat Chrysler Automobiles NV	2.2
Eni SpA	1.6
Harel Insurance Invest & Finances Ltd	1.6
Legal & General Group PLC	1.5
EXOR NV	1.3
Omv AG	1.3
Zurich Insurance Group AG	1.3
Sanofi SA	1.3
Skandinaviska Enskilda Banken AB A	1.2
Total % of Top 10 Holdings	15.7
Total Number of Stock Holdings	201
Total Number of Bond Holdings	0
Total Number of Other Holdings	2
Total Number of Holdings	203

Performance Analysis as of January 31, 2018



Period	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Return %	2.3	0.4	8.3	18.0	6.1	12.1	3.2	3.6	Fund
Quartile	3 rd	4 th	3 rd	3 rd	4 th	2 nd	4 th	—	Quartile
No. of Funds in Category	543	533	525	508	342	262	137	—	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, 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).

Performance Analysis Cont'd as of January 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.18	0.20	0.15	0.23	0.14	0.20	0.31	0.12	0.12	0.22
Interest	—	0.18	0.20	0.15	0.23	0.14	0.20	0.31	0.12	0.12	0.22
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	1-2018	3.2
Worst	3-2009	-41.3	5-2010	-19.9	5-2012	-11.9	1-2017	-0.5
Average		4.9		3.3		4.1		1.6
No. of Periods		145		121		97		37
Pct. Positive		65.5		62.8		54.6		91.9

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

Quarterly Commentary as at December 31, 2017

An overweight allocation to the Size factor—being positioned in stocks smaller in market cap than the benchmark— was the largest contributors to returns, returning 0.97%. Additionally, an overweight allocation to the Momentum factor also marginally aided returns. An overweight allocation to the Yield factor was the largest detractor from returns. Additionally, an overweight allocation to the Value factor detracted from returns. Overall allocation effects contributed to returns while overall security selection detracted from returns for Q4. An underweight allocation to Health Care and an overweight allocation to Materials contributed to returns while overweight allocations to Utilities and Telecommunication Services detracted from returns. Security selection within Consumer Discretionary aided returns while security selection within Materials, Consumer Staples, and Financials detracted from returns.

From a country perspective, overall allocation effects and security selection effects detracted from performance. An underweight allocation to Spain and an overweight allocation to Japan

contributed to returns while an overweight allocation to Italy and Norway detracted from returns. Security selection within Finland and Israel contributed to returns while security selection within Japan, Norway, and France detracted from returns.

Compared to the Fund's benchmark, our focus on value, yield, momentum and quality has allowed us to construct a Fund trading at 26-48% discounts on PE and PS with cash flow yield approximately 50% higher than the benchmark. Our research of individual stock data leads us to believe that value, yield, momentum, and quality are themes that are critically important to future outperformance. We consistently avoid sectors and industries that exhibit unfavorable characteristics and overweight areas of the market that are favorable in the ways we deem important. Given the Fund's positioning relative to its benchmark—measured by key characteristics we use in our stock selection process—we believe the Fund is well situated for 2018.



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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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