



# RBC U.S. Dividend Fund

## Investment Objective

To achieve long-term capital growth and regular dividend income by investing primarily in common and preferred securities of U.S. companies with above average dividend yields.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF590
A	No Load	USD	RBF541
Adv T5	Front End	CAD	RBF6539
Adv T5	Low Load	CAD	RBF4539
Adv	Deferred Sales	CAD	RBF802
Adv	Front End	CAD	RBF702
Adv	Low Load	CAD	RBF129
Adv	Front End	USD	RBF734
Adv	Low Load	USD	RBF4541
T5	No Load	CAD	RBF539
T8	No Load	CAD	RBF599

Inception Date	July 2006
Total Fund Assets \$Mil	3,834.7
Series A NAV \$	27.11
Series A MER %	2.00
Series A Adjusted MER %	1.92
Benchmark	S&P 500 Total Return Index (C\$)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

Fund Category	US 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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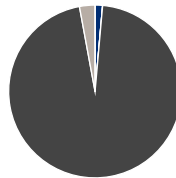
## Notes

Fund's investment objective and name changed July 4, 2006 and November 28, 2011. Fund was formerly named RBC North American Dividend Fund.

Performance Analysis is in CAD and for CAD series A fund (RBF590).

## Portfolio Analysis as of May 31, 2017

### Asset Mix

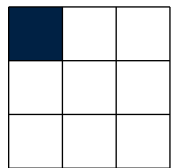


	% Assets
Cash	1.4
Fixed Income	0.0
Canadian Equity	0.0
US Equity	95.7
International Equity	2.9
Other	0.0

### Top 10 Holdings

	% Assets
Apple Inc	3.9
Microsoft Corp	3.3
Johnson & Johnson	3.1
Philip Morris International Inc	2.9
JPMorgan Chase & Co	2.8
PepsiCo Inc	2.6
Chevron Corp	2.4
Bank of America Corporation	2.4
Altria Group Inc	2.1
Merck & Co Inc	2.0
Total % of Top 10 Holdings	27.5
Total Number of Stock Holdings	211
Total Number of Bond Holdings	0
Total Number of Other Holdings	3
<b>Total Number of Holdings</b>	<b>214</b>

### Equity Style



Value Blend Growth

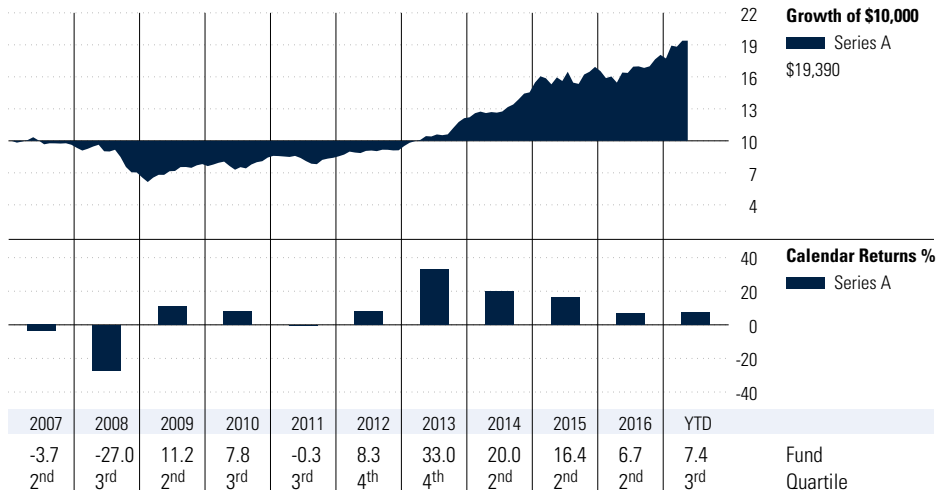
### Equity Statistics

P/B Ratio	2.5
P/E Ratio	18.1
Avg. Mkt Cap. \$B	134.8

### Global Equity Sectors

	% Equity
Information Technology	17.8
Financials	14.9
Health Care	14.3
Industrials	11.9
Consumer Staples	11.8
Consumer Discretionary	11.6
Energy	6.3
Utilities	3.6
Materials	3.0
Real Estate	2.8
Telecommunication Services	2.0
Unclassified	0.0

## Performance Analysis as of May 31, 2017



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	0.0	2.5	10.0	18.2	15.2	17.0	6.5	7.4	Fund
	3 <sup>rd</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	—	Quartile
	1377	1367	1338	1228	841	485	213	—	No. of Funds in Category



# RBC U.S. Dividend Fund

## Management Overview

### Manager Bios

#### Brad Willock

#### RBC Global Asset Management Inc.

Brad Willock joined RBC in May 1996 and RBC Global Asset Management in July 2002. In his current role, he is responsible for core and income-oriented U.S. equity mandates. Brad has a Bachelor of Commerce and a Bachelor of Science, and is a CFA charterholder.

### Performance Analysis Cont'd as of May 31, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.03	0.39	1.10	2.46	0.63	0.10	—	0.01	0.07	0.17	1.12
Interest	0.03	0.11	0.01	0.02	0.09	0.09	—	0.01	0.01	0.05	0.04
Dividends	—	—	—	—	—	0.01	—	—	0.06	0.12	0.12
Capital Gains	—	0.28	1.08	2.44	0.55	—	—	—	—	—	0.95
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2013	33.0	12-2015	22.9	5-2017	17.0	2-2017	6.8
Worst	2-2009	-32.5	6-2010	-10.1	9-2011	-3.4	1-2017	5.9
Average		7.4		9.3		9.6		6.3
No. of Periods		119		95		71		11
Pct. Positive		77.3		71.6		74.6		100.0

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

### Quarterly Commentary as at March 31, 2017

The U.S. stock market continued to surge higher in Q1, extending the rally that began a little over a year ago. Much like the quarter that preceded it, this most recent period featured strong rotations in sectors and style leadership as investors weighed the likelihood of the individual elements of President Trump's legislative agenda coming to fruition. In the previous quarter, cyclical sectors outperformed the market as investors focused on the potential pro-growth policies of the new administration. Furthermore, stocks with strong value characteristics outperformed stocks with superior growth traits, as investors were less inclined to pay for growth in the cyclical rally that commenced after the Brexit. In Q1, the return relationship between sectors was not as pronounced; however, we did see sectors like Health Care, Consumer Staples, and Utilities more than keep up with their cyclical counterparts.

Energy was the worst performing sector in the U.S. due to weakness in oil prices in March, concern

about OPEC discipline, and a rising rig count. An overweight in Energy detracted from performance, however it was partially offset by an overweight in Health Care, which was a top performer during the quarter. We continue to believe in the long-term success of Energy companies with strong, sustainable balance sheets, while also exhibiting healthy levels of free cash flow.

Market performance going forward will depend on tangible evidence in the form of increased economic activity and better-than-expected corporate earnings. While some of the market's advance must be attributed to the anticipation of pro-growth policy action, the fundamentals are also doing their part to drive the market higher. Surveys of U.S. economic activity are at a six-year high and the new-orders and inventory components indicate that production should keep improving.

#### Major Buys

Aflac  
CSX Corporation  
U.S. Bancorp

#### Major Sells

Norfolk Southern  
Occidental Petroleum  
Reynolds American



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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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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 and PH&N Funds is based on actual expenses for the full-year period, January 1 to December 31, 2016, 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.

PH&N Funds Series A formerly known as Series C.

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, 2017.

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