



# RBC O'Shaughnessy All-Canadian Equity Fund

## Investment Objective

To provide a long-term total return, consisting of capital growth and current income, by investing primarily in equity securities of Canadian companies 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	RBF593
Adv	Front End	CAD	RBF779
Adv	Low Load	CAD	RBF188

Inception Date	January 2007
Total Fund Assets \$Mil	537.0
Series A NAV \$	14.38
Series A MER %	1.82
Benchmark	S&P/TSX Capped Composite Total Return Index

Income Distribution	Annually
Capital Gains Distribution	Annually

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

Fund Category	Canadian Small/Mid Cap Equity
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Management Company	RBC Global Asset Management Inc.
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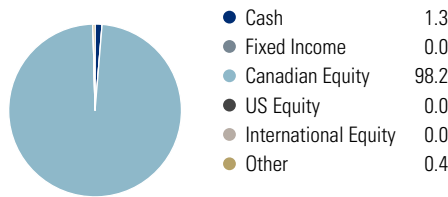
Web Site	www.rbcgam.com
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## Notes

This is a continuing fund resulting from a merger effective June 27, 2014.

## Portfolio Analysis as of October 31, 2017

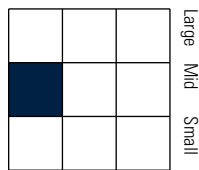
### Asset Mix



### Top 10 Holdings

Company	% Assets
Royal Bank of Canada	3.1
Genworth MI Canada Inc	3.0
Transcontinental Inc Class A	3.0
Sun Life Financial Inc	2.8
BRP Inc	2.8
Cascades Inc	2.6
West Fraser Timber Co.Ltd	2.6
Manulife Financial Corp	2.5
Great-West Lifeco Inc	2.4
Great Canadian Gaming Corp	2.3
<b>Total % of Top 10 Holdings</b>	<b>27.1</b>
Total Number of Stock Holdings	98
Total Number of Bond Holdings	0
Total Number of Other Holdings	2
<b>Total Number of Holdings</b>	<b>100</b>

### Equity Style



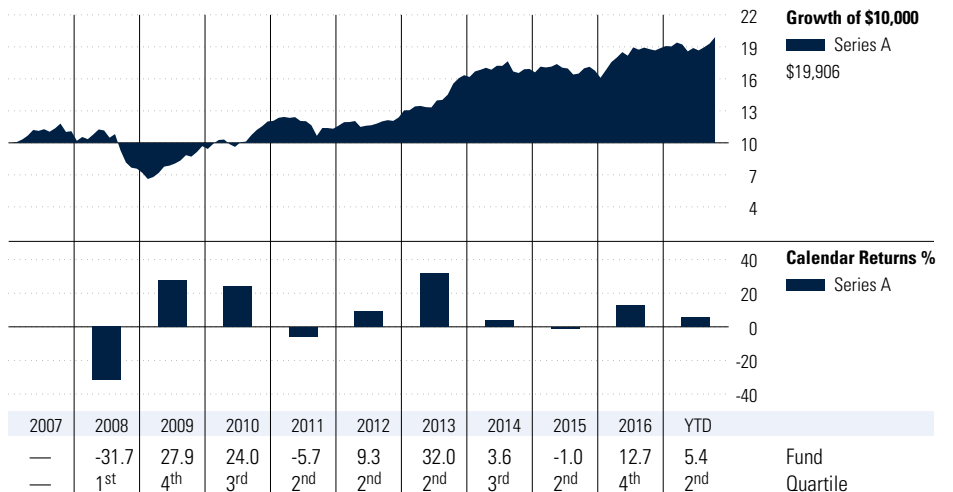
### Equity Statistics

P/B Ratio	1.7
P/E Ratio	11.4
Avg. Mkt Cap. \$B	5.2

### Global Equity Sectors

Sector	% Equity
Financials	25.0
Materials	19.2
Consumer Discretionary	15.9
Industrials	15.5
Real Estate	8.3
Utilities	4.4
Energy	4.4
Consumer Staples	3.2
Information Technology	1.7
Health Care	1.5
Telecommunication Services	1.1
Unclassified	0.0

## 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 %
3.2	6.7	3.6	6.0	6.4	10.4	5.4	6.7	Fund
2 <sup>nd</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	—	Quartile
232	232	232	225	186	151	91	—	No. of Funds in Category



# RBC O'Shaughnessy All-Canadian Equity Fund

## Management Overview

### Manager Bios

#### James P. O'Shaughnessy

#### O'Shaughnessy Asset Management

Jim O'Shaughnessy is the Chairman and CEO 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.

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

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	—	0.66	0.54	1.99	0.07	0.06	—	0.11	0.24	0.30	0.19
Interest	—	—	—	—	—	—	—	—	0.11	0.16	—
Dividends	—	0.14	0.13	0.09	0.07	0.06	—	0.11	0.13	0.14	—
Capital Gains	—	0.51	0.41	1.89	—	—	—	—	—	—	0.19
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	3-2010	51.2	2-2012	21.8	2-2014	20.4	1-2017	6.7
Worst	2-2009	-37.4	6-2010	-4.7	5-2012	0.5	7-2017	5.2
Average		7.4		8.9		9.6		5.8
No. of Periods		118		94		70		10
Pct. Positive		72.0		89.4		100.0		100.0

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

### Quarterly Commentary as at September 30, 2017

The three most common exposures in our Fund are large positive exposure to the value factor, a neutral exposure to the momentum factor, and a negative exposure to the size factor. While we will always place large bets on the value and momentum factors, the size factor exposure may be less consistent. In constructing the Fund, after setting our investible universe, we ignore market capitalization as a factor. In a market like Canada, which tends to be very top heavy and dominated in weight by a small group of stocks, this means that we will usually look more like an equally-weighted market than a cap-weighted benchmark. This continued to be true in the third quarter, when we had an underweight exposure to the size factor. We were hurt from our smaller cap orientation. Our overweight allocation to the value factor was the largest contributor to excess returns for the third quarter. Positive value effects were overwhelmed by negative contributions from size, momentum, and industry exposures.

Overall sector allocation and security selection

effects detracted from returns during Q3. An overweight allocation to Consumer Discretionary aided returns while an underweight allocation to Energy and an overweight allocation to Health Care detracted. Security selection within Industrials, Consumer Discretionary, and Utilities contributed to performance while security selection within Health Care, Energy, and Information Technology detracted.

Our research of individual stock data leads us to believe that Value, Momentum, and Quality are themes that are critically important to future outperformance. We consistently avoid sectors and industries that exhibit unfavorable characteristics, and hone in on areas of the market that are favorable in the ways we deem relevant. Given the portfolio's positioning relative to its benchmark—measured by key characteristics we use in our stock selection process—we believe the portfolio is well situated for the remainder of 2017.



# RBC O'Shaughnessy All-Canadian 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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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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