



# RBC O'Shaughnessy Global 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 companies throughout the world 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      | RBF594    |
| Adv    | Front End      | CAD      | RBF781    |
| Adv    | Low Load       | CAD      | RBF189    |

|                         |   |
|-------------------------|---|
| Inception Date          | January 2007                            |
| Total Fund Assets \$Mil | 91.9                                    |
| Series A NAV \$         | 9.88                                    |
| Series A MER %          | 2.25                                    |
| Benchmark               | MSCI World Total Return Net Index (C\$) |

|                            |          |
|----------------------------|----------|
| Income Distribution        | Annually |
| Capital Gains Distribution | Annually |

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

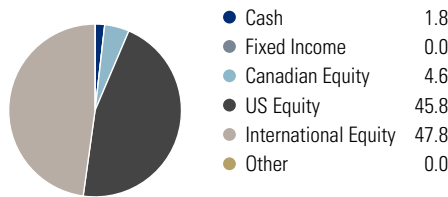
|               |                             |
|---------------|-----------------------------|
| Fund Category | Global Small/Mid Cap Equity |
|---------------|-----------------------------|

|                    |                                  |
|--------------------|----------------------------------|
| Management Company | RBC Global Asset Management Inc. |
|--------------------|----------------------------------|

|          |                |
|----------|----------------|
| Web Site | www.rbcgam.com |
|----------|----------------|

## Portfolio Analysis as of August 31, 2017

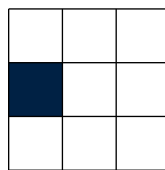
### Asset Mix



### Top 10 Holdings

| Company                         | % Assets   |
|---------------------------------|------------|
| General Motors Co               | 1.7        |
| AXA Sa                          | 1.6        |
| Valero Energy Corp              | 1.6        |
| Delta Air Lines Inc             | 1.5        |
| Best Buy Co Inc                 | 1.5        |
| Procter & Gamble Co             | 1.5        |
| Downer EDI Ltd                  | 1.4        |
| Magna International Inc Class A | 1.4        |
| Korea Electric Power Corp       | 1.4        |
| United Continental Holdings Inc | 1.2        |
| Total % of Top 10 Holdings      | 14.7       |
| Total Number of Stock Holdings  | 200        |
| Total Number of Bond Holdings   | 0          |
| Total Number of Other Holdings  | 1          |
| <b>Total Number of Holdings</b> | <b>201</b> |

### Equity Style



### Equity Statistics

|                   |      |
|-------------------|------|
| P/B Ratio         | 1.4  |
| P/E Ratio         | 11.2 |
| Avg. Mkt Cap. \$B | 10.7 |

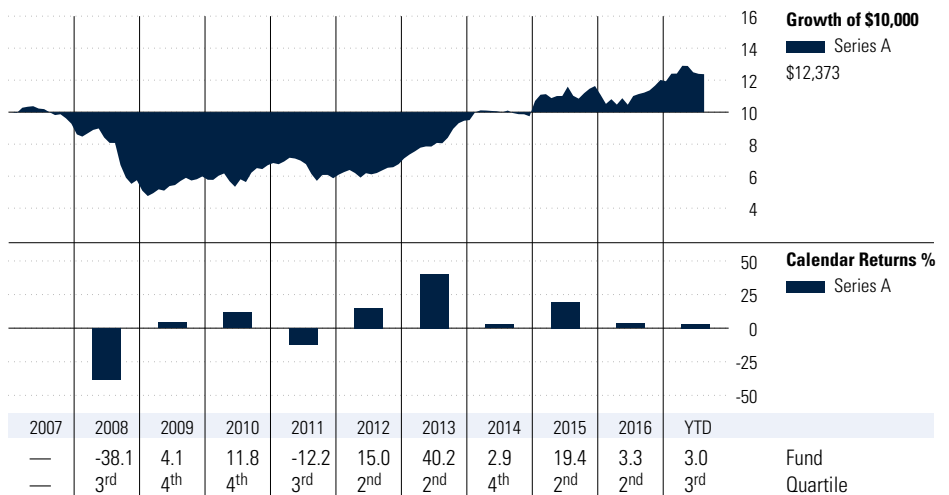
### Top 5 Sectors

| Sector                 | % Equity |
|------------------------|----------|
| Financials             | 18.1     |
| Industrials            | 16.5     |
| Consumer Discretionary | 14.3     |
| Information Technology | 11.3     |
| Consumer Staples       | 7.9      |

### Geographic Allocations

| Region        | % Assets |
|---------------|----------|
| United States | 46.6     |
| Japan         | 10.0     |
| South Korea   | 4.9      |
| Canada        | 4.7      |
| Israel        | 3.4      |

## Performance Analysis as of August 31, 2017



| Period                   | 1 Mth           | 3 Mth           | 6 Mth           | 1 Yr            | 3 Yr            | 5 Yr            | 10 Yr           | Since Incep. | Trailing Return %        |
|--------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------|--------------------------|
| Return                   | -0.2            | -4.0            | -0.2            | 11.2            | 7.0             | 14.8            | 2.2             | 2.0          | Fund                     |
| Quartile                 | 3 <sup>rd</sup> | 2 <sup>nd</sup> | 3 <sup>rd</sup> | 2 <sup>nd</sup> | 3 <sup>rd</sup> | 2 <sup>nd</sup> | 4 <sup>th</sup> | —            | Quartile                 |
| No. of Funds in Category | 280             | 277             | 271             | 256             | 139             | 96              | 50              | —            | No. of Funds in Category |



# RBC O'Shaughnessy Global 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 August 31, 2017

| Distributions (\$)/Unit | YTD* | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
|-------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Total Distributions     | —    | 0.06 | 0.14 | 0.05 | 0.05 | 0.16 | 0.15 | 0.04 | 0.07 | 0.53 | 0.14 |
| Interest                | —    | 0.06 | 0.13 | 0.05 | 0.05 | 0.15 | 0.15 | 0.04 | 0.07 | 0.53 | 0.14 |
| Dividends               | —    | 0.01 | 0.01 | —    | —    | 0.01 | —    | —    | —    | —    | —    |
| Capital Gains           | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |
| Return Of Capital       | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |

| Best/Worst Periods % | Ended   | 1 Yr  | Ended  | 3 Yr  | Ended  | 5 Yr  | Ended  | 10 Yr |
|----------------------|---------|-------|--------|-------|--------|-------|--------|-------|
| Best                 | 11-2013 | 41.9  | 7-2015 | 23.8  | 5-2017 | 16.9  | 4-2017 | 2.2   |
| Worst                | 2-2009  | -43.9 | 6-2010 | -19.5 | 5-2012 | -10.6 | 1-2017 | 1.8   |
| Average              |         | 4.3   |        | 7.4   |        | 8.5   |        | 2.1   |
| No. of Periods       |         | 116   |        | 92    |        | 68    |        | 8     |
| Pct. Positive        |         | 64.7  |        | 77.2  |        | 70.6  |        | 100.0 |

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

### Quarterly Commentary as at June 30, 2017

Value, a primary selection factor, positively impacted performance adding 1.65% to return. An overweight to small and mid-cap names detracted -1.61% from returns. The Fund had marginally lower exposure to the market which detracted -0.05%. Finally, Momentum contributed to performance returning 0.08% to returns.

Overall security selection aided returns while allocation effects detracted from returns during Q2. An overweight allocation to Industrials contributed to returns while an underweight allocation to Health Care detracted from returns. Security selection within Energy aided returns and security selection within Financials hurt returns. The largest contributors to returns were Fleury Company, Delta Airlines Inc., and American Airlines Group Inc. The largest detractors from returns were Korea Electric Power, LyondellBasell Industries, and Aker ASA.

From a country perspective, overall allocation effects contributed to returns while overall security selections detracted from returns. Overweight allocations to Greece and Austria contributed to returns while an overweight allocation to South Korea detracted from returns. Security selection within Canada and Australia aided returns while security selection within the United States and Japan hurt returns.

Our research leads us to believe that exposure to yield, value, momentum, and quality drive future outperformance. We consistently avoid sectors and industries that exhibit unfavorable characteristics to these themes and overweight areas of the market that rank favorably. Historically, international stocks with the cheapest valuations, along with stocks with the highest momentum, have provided higher returns relative to the market.



# RBC O'Shaughnessy Global 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 August 31, 2017.

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