

PH&N Canadian Money Market Fund

Investment Objective

To provide a steady level of current income while preserving capital by investing in a well-diversified portfolio of short-term Canadian money market securities.

Fund Details

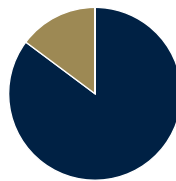
Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF7120
Adv	Front End	CAD	RBF6120
Adv	Low Load	CAD	RBF4120
Inception Date		November 2008	
Total Fund Assets \$Mil		1,893.2	
Series A Current Yield%		1.32	
Series A MER %		0.54	
Benchmark		FTSE Canada 30 Day T-Bill Index	
Income Distribution		Monthly	
Capital Gains Distribution		N/A	
Sales Status		Open	
Min. Investment \$		500	
Subsequent Investment \$		25	
Fund Category		Canadian Money Market	
Management Company		RBC Global Asset Management Inc.	
Web Site		www.rbcgam.com	

Notes

The current yield is an annualized yield based on the seven day period ended as of the date of the Performance Analysis.

Portfolio Analysis as of August 31, 2018

Asset Mix



	% Assets
Cash	85.2
Fixed Income	14.8
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

Term to Maturity

	%
0 - 30 days	35
31 - 60 days	23
61 - 90 days	22
90 + days	20
Avg. Term to maturity (days)	56

Cash Breakdown

	Cash (%)
Treasury Bills	0.0
Provincial Bills	0.0
Bankers Acceptance	10.2
Commercial Paper	40.3
Bank Deposits	49.5

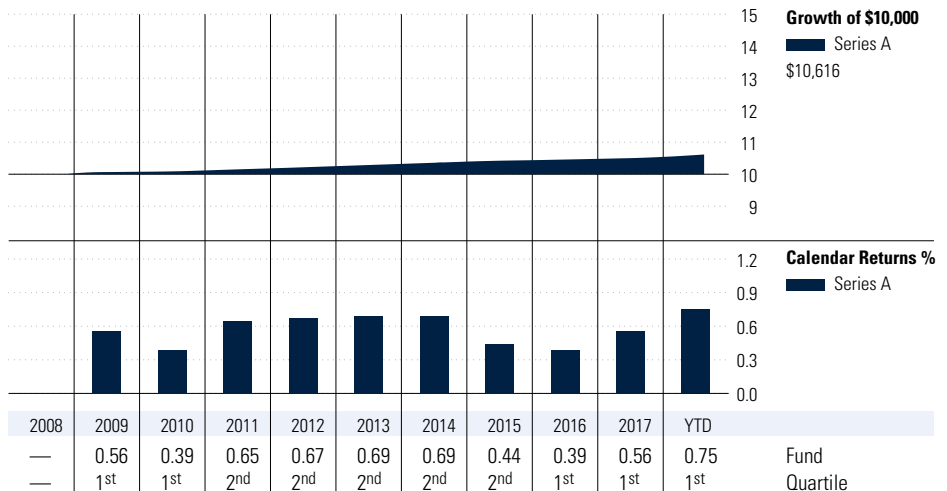
Credit Quality

	%
R1 High	63.4
R1 Medium	9.6
R1 Low	27.0
Avg. Rating	R1H

Top 10 Holdings

	% Assets
Caisse Cent Desjardins 1.772% 30-10-2018	2.1
Bank Of Nova Scotia 1.870% 26-11-2018	1.9
Enbridge Pipelines 1.897% 25-09-2018	1.6
Altalink Lp 1.970% 29-11-2018	1.6
Bank Of Nova Scotia 1.850% 06-11-2018	1.5
Sound Trust 1.961% 07-01-2019	1.4
Ridge Trust 1.790% 03-10-2018	1.3
Enbridge Gas Distribut 1.815% 14-09-2018	1.3
Hsbc Bank Canada 1.800% 02-10-2018	1.3
Canadian Master Tr Ser A 2% 15-01-2019	1.2
Total % of Top 10 Holdings	15.2
Total Number of Stock Holdings	0
Total Number of Bond Holdings	30
Total Number of Other Holdings	171
Total Number of Holdings	201

Performance Analysis as of August 31, 2018



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	0.11	0.31	0.59	1.01	0.60	0.61	—	0.62	Fund
	1st	1st	1st	1st	1st	1st	—	—	Quartile
	203	202	201	198	171	157	113	—	No. of Funds in Category

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Management Overview

Manager Bios

PH&N Fixed Income Team

With one of the largest bond desks in Canada consisting of over 30 investment professionals, Phillips, Hager & North Investment Management (PH&N IM) has been managing bonds since 1970 and currently manages fixed income portfolios according to strict quality and diversification guidelines. PH&N IM's strengths as a bond manager are directly related to its depth of resources – both people and technology – dedicated to the management of fixed income portfolios.

Performance Analysis Cont'd as of August 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.08	0.06	0.04	0.04	0.07	0.07	0.07	0.06	0.04	0.06	0.03
Interest	0.08	0.06	0.04	0.04	0.07	0.07	0.07	0.06	0.04	0.06	0.03
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	8-2018	1.01	1-2015	0.69	7-2015	0.65	—	—
Worst	5-2010	0.19	9-2017	0.46	9-2017	0.55	—	—
Average		0.56		0.58		0.59		—
No. of Periods		106		82		58		—
Pct. Positive		100.00		100.00		100.00		—

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

Quarterly Commentary as at June 30, 2018

The Bank of Canada (BoC) held the overnight rate steady over the quarter. While concerns about NAFTA and the Canadian housing market have not gone away, the BoC's tone has become less cautious as economic data have broadly continued to show signs of improvement. Notably, the BoC removed references to the need for "some monetary policy accommodation" to keep the economy on track, calling for a "gradual" rather than "cautious" approach to future rate increases. Governor Poloz continued this less cautious tone through the end of the quarter in a speech and press conference as well as a surprisingly optimistic tone in the most recent Business Outlook Survey. Looking forward, the bond market has priced in a policy rate increase for July and another near the end of the year. As such, we expect the short end of the Canadian yield curve to continue trending higher as the BoC moves toward its neutral policy-rate range.

The Fund's strategy remains focused on preserving capital while maximizing yield by investing in high-quality securities that pay an incremental yield over and above what is available from Government of Canada T-bills. With this in mind, the Fund is fully invested in corporate securities, such as asset-backed commercial paper, bankers' acceptances and commercial paper of high-quality corporate borrowers, which continue to provide an attractive incremental yield relative to their incremental risk. The Fund has maintained a slightly longer-than-benchmark average term to maturity to capture the attractive additional yield that exists further out on the yield curve. As always, we do not compromise the Fund's primary objective of safety of capital in its pursuit of earning a decent level of interest.

PH&N Canadian Money Market 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 fund securities are not guaranteed or covered by the Canada 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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(PH&NIF), which uses the trade name PH&N Investment Services. RBC GAM is an indirect, wholly-owned subsidiary of Royal Bank of Canada.

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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, 2018, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full year period, April 1, 2017 to March 31, 2018.

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 July 31, 2018.

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