

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	1,775.7
Series A Current Yield%	1.18
Series A MER %	0.54
Benchmark	FTSE TMX 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
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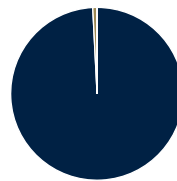
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Notes

The current yield is an annualized yield based on the seven day period ended on May 31, 2018 and does not represent an actual one year return.

Portfolio Analysis as of May 31, 2018

Asset Mix



Asset Class	% Assets
Cash	99.2
Fixed Income	0.8
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

Top 10 Holdings

Holder	% Assets
Husky Energy Inc. 1.742% 05-07-2018	1.7
Bank Of Nova Scotia 1.669% 09-08-2018	1.6
Sure Trust 1.793% 16-08-2018	1.6
Safe Trust - 1.701% 07-08-2018	1.6
Tmx Group Ltd. 1.600% 15-06-2018	1.6
Hsbc Bank Canada 1.551% 04-06-2018	1.5
Bank Of Nova Scotia 1.537% 07-06-2018	1.4
Altalink Lp 1.682% 30-07-2018	1.4
Bank Of Nova Scotia 1.651% 24-07-2018	1.4
GTA Authority 1.583% 14-06-2018	1.3
Total % of Top 10 Holdings	15.2
Total Number of Stock Holdings	0
Total Number of Bond Holdings	1
Total Number of Other Holdings	173
Total Number of Holdings	174

Term to Maturity

Term	%
0 - 30 days	37
31 - 60 days	20
61 - 90 days	18
90 + days	24
Avg. Term to maturity (days)	59

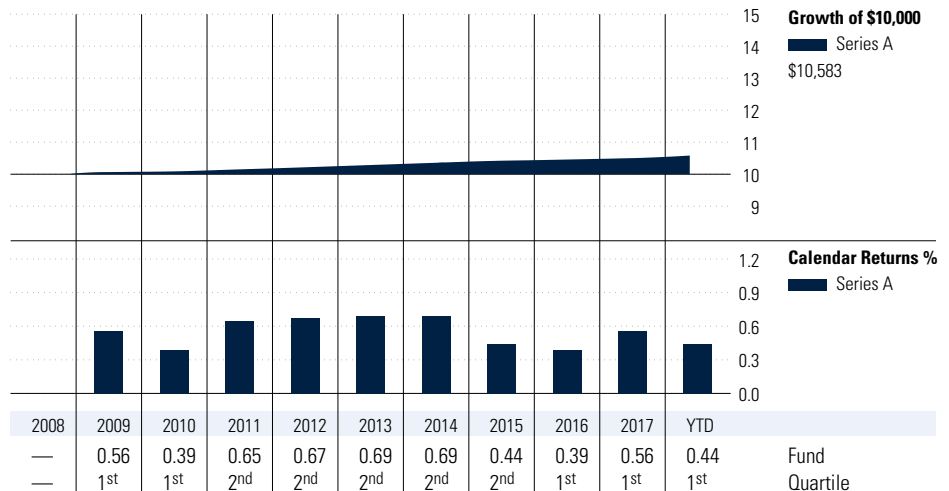
Cash Breakdown

Category	Cash (%)
Treasury Bills	0.0
Provincial Bills	0.0
Bankers Acceptance	14.9
Commercial Paper	49.9
Bank Deposits	35.2

Credit Quality

Rating	%
R1 High	64.0
R1 Medium	10.4
R1 Low	25.6
Avg. Rating	R1H

Performance Analysis as of May 31, 2018



Period	Trailing Return %	Fund Quartile	No. of Funds in Category
1 Mth	0.10	1st	216
3 Mth	0.28	1st	216
6 Mth	0.51	1st	215
1 Yr	0.82	1st	211
3 Yr	0.53	1st	181
5 Yr	0.59	1st	165
10 Yr	—	—	121
Since Incep.	0.60	—	—

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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 May 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.04	0.06	0.04	0.04	0.07	0.07	0.07	0.06	0.04	0.06	0.03
Interest	0.04	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	5-2018	0.82	1-2015	0.69	7-2015	0.65	—	—
Worst	5-2010	0.19	9-2017	0.46	9-2017	0.55	—	—
Average		0.55		0.58		0.59		—
No. of Periods		103		79		55		—
Pct. Positive		100.00		100.00		100.00		—

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

Quarterly Commentary as at March 31, 2018

The Bank of Canada (BoC) increased its overnight rate at the beginning of the year to 1.25%, but took a more cautious stance regarding future policy decisions. In statements accompanying its two meetings this quarter, the BoC cited several concerns that persist, including the uncertainty surrounding the future of NAFTA as well as the risks within the Canadian housing market. The BoC maintains that, while the Canadian economy will likely support higher interest rates in the future, it believes that some degree of continued monetary policy accommodation is required at the moment to keep the economy and inflation on track. As such, the market expects the BoC to remain on hold until the second half of the year, with only two more rate hikes through the remainder of 2018. Overall, we anticipate short-term Canadian interest rates to trend higher as the BoC moves toward the lower end of its neutral policy-rate range. For investors looking for healthier returns on their savings, higher interest rates should come

as a much-welcomed development.

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 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 in 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.

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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 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.

Phillips, Hager & North Investment Management (PH&N IM) is a division of RBC Global Asset Management Inc. (RBC GAM). RBC GAM is the fund manager and the principal portfolio adviser of PH&N Funds. The principal distributor of PH&N Funds is Phillips, Hager & North Investment Funds Ltd. (PH&NIF), which uses the trade name PH&N

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MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the full year period, January 1 to December 31, 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 May 31, 2018.

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