

# PH&N Canadian Growth Fund

## Investment Objective

To provide significant long-term capital growth by investing primarily in a well-diversified portfolio of Canadian common stocks, as well as U.S. and international securities.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF7140
Adv	Front End	CAD	RBF6140
Adv	Low Load	CAD	RBF4140

Inception Date	November 2008
Total Fund Assets \$Mil	651.7
Series A NAV \$	37.55
Series A MER %	1.83
Benchmark	S&P/TSX Capped Composite Total Return Index

Income Distribution	Annually
Capital Gains Distribution	Annually

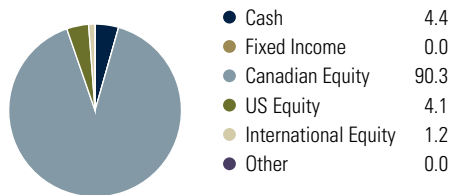
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

Fund Category	Canadian Equity
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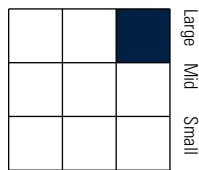
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

## Portfolio Analysis as of January 31, 2018

### Asset Mix



### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	1.6
P/E Ratio	15.8
Avg. Mkt Cap. \$B	22.0

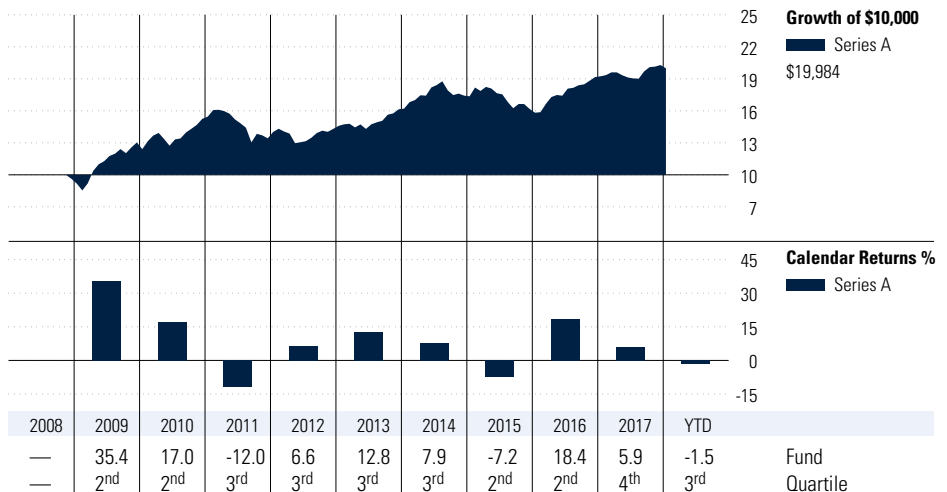
### Top 10 Holdings

Company	% Assets
Royal Bank of Canada	7.5
The Toronto-Dominion Bank	6.3
Bank of Nova Scotia	5.0
Canadian National Railway Co	4.5
Suncor Energy Inc	3.5
Bank of Montreal	3.2
Enbridge Inc	2.9
CIBC	2.6
TransCanada Corp	2.3
Manulife Financial Corp	2.3
Total % of Top 10 Holdings	40.2
Total Number of Stock Holdings	100
Total Number of Bond Holdings	0
Total Number of Other Holdings	2
<b>Total Number of Holdings</b>	<b>102</b>

### Global Equity Sectors

Sector	% Equity
Financials	36.1
Energy	20.5
Materials	10.6
Industrials	9.1
Consumer Discretionary	6.6
Consumer Staples	4.0
Information Technology	3.7
Telecommunication Services	3.1
Utilities	3.0
Real Estate	2.9
Health Care	0.6
Unclassified	0.0

## Performance Analysis as of January 31, 2018



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
-1.5	-0.6	5.0	3.9	4.8	6.5	—	7.8	Fund
3 <sup>rd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	4 <sup>th</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	—	—	Quartile
603	596	592	578	416	315	152	—	No. of Funds in Category

# PH&N Canadian Growth Fund

## Management Overview

### Manager Bios

#### Warner Sulz

#### RBC Global Asset Management Inc.

Warner Sulz is Vice President and Senior Portfolio Manager, Canadian Equities. He has been in the investment industry since 1986.

### Performance Analysis Cont'd as of January 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.32	0.33	0.14	0.24	0.17	0.05	—	—	0.03	0.14
Interest	—	0.00	—	—	—	—	—	—	—	—	—
Dividends	—	0.22	0.33	0.14	0.24	0.17	0.05	—	—	0.03	0.14
Capital Gains	—	0.10	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2010	54.0	2-2012	18.8	2-2014	14.5	—	—
Worst	5-2012	-17.5	8-2017	0.4	2-2016	-0.2	—	—
Average		8.6		5.9		6.7		—
No. of Periods		99		75		51		—
Pct. Positive		74.7		100.0		98.0		—

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

### Quarterly Commentary as at December 31, 2017

The Fund's performance during the quarter was driven by holdings such as Cobalt 27 Capital Corp., Cardinal Energy Ltd. and Jamieson Wellness Inc.

Cobalt 27 offers pure-play exposure to physical cobalt, a key element in most lithium-ion batteries. Lithium-ion batteries have become the largest source of cobalt demand, given their use in electronic applications including laptops, tablets and smartphones as well as high-temperature super-alloys like jet engines and power turbines. Most importantly, the move toward electric vehicles should create a sizable change in demand going forward. Given this expectation for increased demand, the price of cobalt should continue to rise.

Cardinal Energy had a solid quarter, which was further buoyed by strong crude oil price appreciation. We continue to expect the company to improve its balance sheet and lower its payout ratio, given its best-in-class decline rate, margin expansion and accretive asset sales. Attractive upside still remains as the company should

continue to narrow its trading discount to peers.

Jamieson Wellness continued its strong performance last quarter. The Branded businesses continued to deliver strong organic growth, driven by volume growth in both domestic and international markets. A recently launched cough and cold product is seeing good early reception. We remain confident in Jamieson's prospects to outgrow the market due to new product launches and increased global market penetration, given its broad range of products for all ages and lifestyles.

We added Cobalt 27, Enbridge Income Fund, HIVE Blockchain Technologies Ltd., Neo Performance Materials Inc. and The Stars Group Inc. during the quarter. We also raised our weightings in Cardinal Energy, Alimentation Couche-Tard Inc. and ProMetic Life Sciences Inc. We reduced our weightings in various holdings, including Cenovus Energy Inc., Enercare Inc. and Brookfield Property Partners LP. We also eliminated Dominion Diamond Mines from the portfolio.

## PH&N Canadian Growth 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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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 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 January 31, 2018.

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