

PH&N U.S. Equity Fund

Investment Objective

To provide significant long-term capital growth by investing primarily in a well-diversified portfolio of quality U.S. common stocks.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF7160
Adv	Front End	CAD	RBF6160
Adv	Low Load	CAD	RBF4160

Inception Date	November 2008
Total Fund Assets \$Mil	636.6
Series A NAV \$	74.86
Series A MER %	1.87
Benchmark	S&P 500 Total Return Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

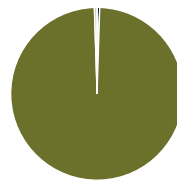
Fund Category	US Equity
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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Portfolio Analysis as of August 31, 2018

Asset Mix

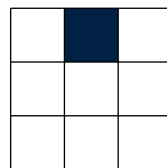


	% Assets
Cash	0.5
Fixed Income	0.0
Canadian Equity	0.0
US Equity	99.0
International Equity	0.5
Other	0.0

Top 10 Holdings

	% Assets
Amazon.com Inc	5.0
Apple Inc	4.6
Microsoft Corp 24-10-2018	4.1
Alphabet Inc Class C	3.5
JPMorgan Chase & Co	2.1
Bank of America Corporation 24-10-2018	1.7
Johnson & Johnson	1.7
Facebook Inc A	1.7
UnitedHealth Group Inc	1.7
Berkshire Hathaway Inc B 24-10-2018	1.6
Total % of Top 10 Holdings	27.7
Total Number of Stock Holdings	153
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	154

Equity Style



Value Blend Growth

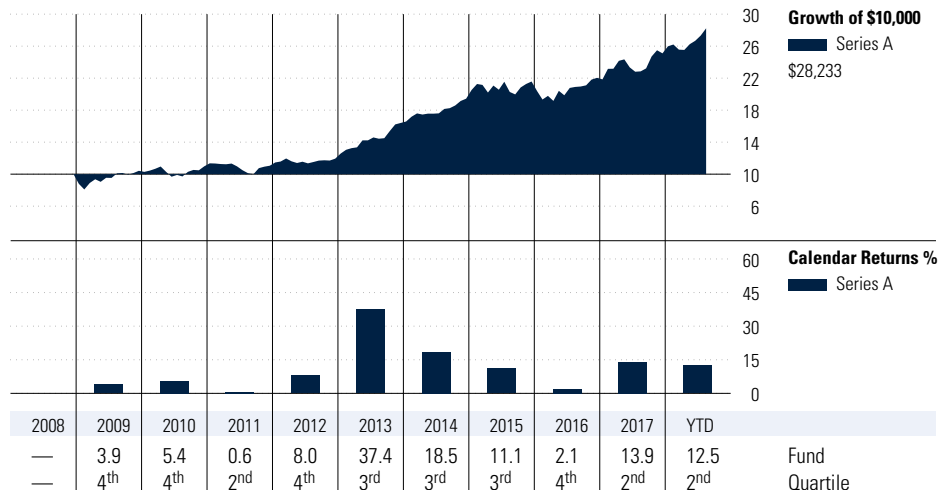
Equity Statistics

P/B Ratio	3.0
P/E Ratio	18.5
Avg. Mkt Cap. \$B	160.4

Global Equity Sectors

	% Equity
Information Technology	26.8
Financials	14.8
Health Care	13.9
Consumer Discretionary	13.4
Industrials	8.8
Energy	7.1
Consumer Staples	6.6
Materials	2.5
Real Estate	2.4
Utilities	2.1
Telecommunication Services	1.6
Unclassified	0.0

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 %
3.4	7.6	7.7	23.6	11.7	14.4	—	11.2	Fund
2 nd	2 nd	2 nd	2 nd	3 rd	3 rd	—	—	Quartile
1415	1412	1393	1346	904	639	262	—	No. of Funds in Category

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Management Overview

Manager Bios

Stuart Kedwell

RBC Global Asset Management Inc.

Stuart Kedwell is Senior Vice President and Co-Head, North American Equities. He has been in the investment industry since 1997.

Doug Raymond

RBC Global Asset Management Inc.

Doug Raymond is Senior Vice President and Co-Head, North American Equities. He has been in the investment industry since 1985.

Performance Analysis Cont'd as of August 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	—	—	—	0.19	—	—	—	—	0.12	0.02
Interest	—	—	—	—	0.19	—	—	—	—	0.12	0.02
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	11-2013	38.6	7-2015	23.8	11-2017	16.8	—	—
Worst	2-2016	-9.1	11-2011	3.0	11-2013	10.2	—	—
Average		12.5		13.0		14.2		—
No. of Periods		106		82		58		—
Pct. Positive		91.5		100.0		100.0		—

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

Quarterly Commentary as at June 30, 2018

U.S. equity markets rebounded in the second quarter. However, sustained economic growth and accelerated earnings were accompanied by higher interest rates and faster inflation, which weighed on valuations. Against this backdrop, equities require ongoing earnings growth to make the kind of headway that came so easily last year.

In the Fund, security selection detracted modestly in the second quarter. On the positive side, our overweight position in Amazon.com Inc. contributed significantly. Amazon continues to have strong logistics, highlighted by its same-day delivery experience. The company has taken advantage of secular growth for online retail and has diversified its revenue mix with the high-growth, high-margin Amazon Web Services and Amazon Marketing Services. Conversely, some

Industrials overweights pulled back, namely defense companies, General Dynamics Corp. and Lockheed Martin Corp. Stanley Black & Decker Inc. also detracted after tariffs caused raw material price increases, constraining margins until price increases take effect later this year.

Expanding valuations have been a significant source of gains for stocks during the decade-long rally, but sustained earnings growth will be critical to drive equities even higher. Earnings have indeed been growing rapidly, helped by U.S. tax cuts, and expectations are for the positive trend in profits to persist. As long as economic growth continues and the U.S. Federal Reserve raises rates gradually, stocks are likely to offer decent returns for the rest of 2018.

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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.

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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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