

PH&N U.S. Growth Fund

Investment Objective

To achieve significant long-term capital growth by investing primarily in a well-diversified portfolio of North American common stocks.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF7260
Adv	Front End	CAD	RBF6260
Adv	Low Load	CAD	RBF4260

Inception Date	November 2008
Total Fund Assets \$Mil	120.7
Series A NAV \$	28.47
Series A MER %	1.84
Benchmark	S&P 500 Total Return Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

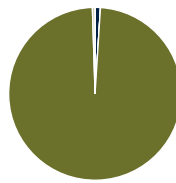
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

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

Portfolio Analysis as of August 31, 2018

Asset Mix

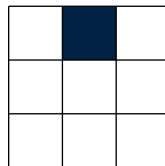


	% Assets
Cash	1.0
Fixed Income	0.0
Canadian Equity	0.0
US Equity	98.5
International Equity	0.5
Other	0.0

Top 10 Holdings

	% Assets
Amazon.com Inc	5.1
Apple Inc	4.7
Microsoft Corp 24-10-2018	4.0
Alphabet Inc Class C	3.5
JPMorgan Chase & Co	2.1
Bank of America Corporation 24-10-2018	1.8
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	27.8
Total Number of Stock Holdings	151
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	152

Equity Style



Value Blend Growth

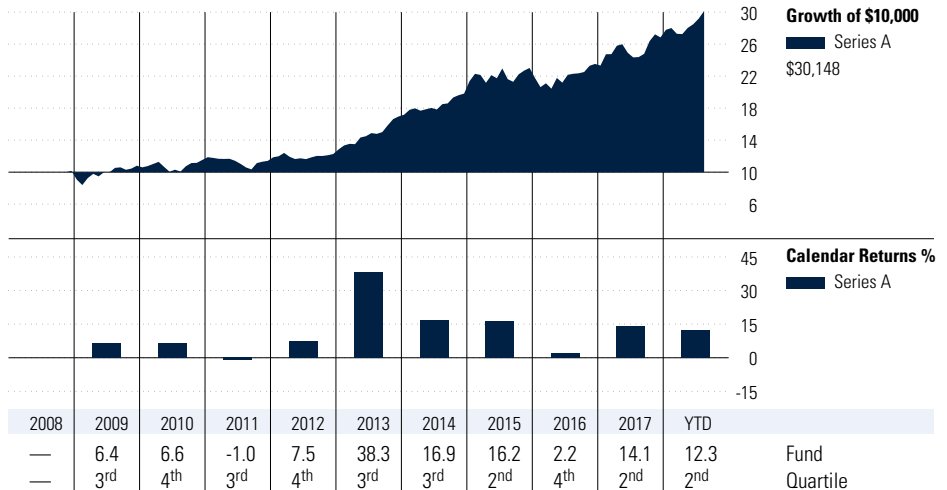
Equity Statistics

P/B Ratio	3.0
P/E Ratio	18.5
Avg. Mkt Cap. \$B	160.6

Global Equity Sectors

	% Equity
Information Technology	26.8
Financials	14.7
Health Care	14.0
Consumer Discretionary	13.4
Industrials	8.9
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 %
Fund	3.3	7.5	7.6	23.6	11.7	15.3	—	12.0	Fund
Quartile	2 nd	2 nd	3 rd	2 nd	3 rd	3 rd	—	—	Quartile
No. of Funds in Category	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	—	—	0.08	—	—	—	—	—	—	0.07	0.01
Interest	—	—	0.08	—	—	—	—	—	—	0.07	0.01
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2013	38.3	7-2015	25.5	11-2017	17.6	—	—
Worst	2-2016	-7.5	12-2011	3.9	11-2013	10.7	—	—
Average		12.9		13.4		14.7		—
No. of Periods		106		82		58		—
Pct. Positive		88.7		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

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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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