

# PH&N Global Equity Fund

## Investment Objective

To achieve long-term capital growth by investing primarily in a diversified portfolio of common stocks in companies in the world's largest industrialized countries outside Canada, including the United States, and countries in Europe and the Far East, including Japan and Australia.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF7370
Adv	Front End	CAD	RBF6370
Adv	Low Load	CAD	RBF4370

Inception Date	November 2008
Total Fund Assets \$Mil	464.6
Series A NAV \$	19.98
Series A MER %	2.05
Benchmark	MSCI World Total Return Net Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

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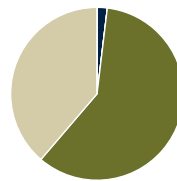
Web Site	www.rbcgam.com
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## Notes

Fund's sub-advisor changed effective mid-August 2014.

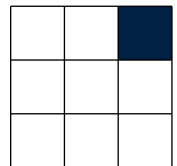
## Portfolio Analysis as of August 31, 2018

### Asset Mix



	% Assets
Cash	1.9
Fixed Income	0.0
Canadian Equity	0.0
US Equity	59.3
International Equity	38.7
Other	0.0

### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	3.3
P/E Ratio	21.5
Avg. Mkt Cap. \$B	86.8

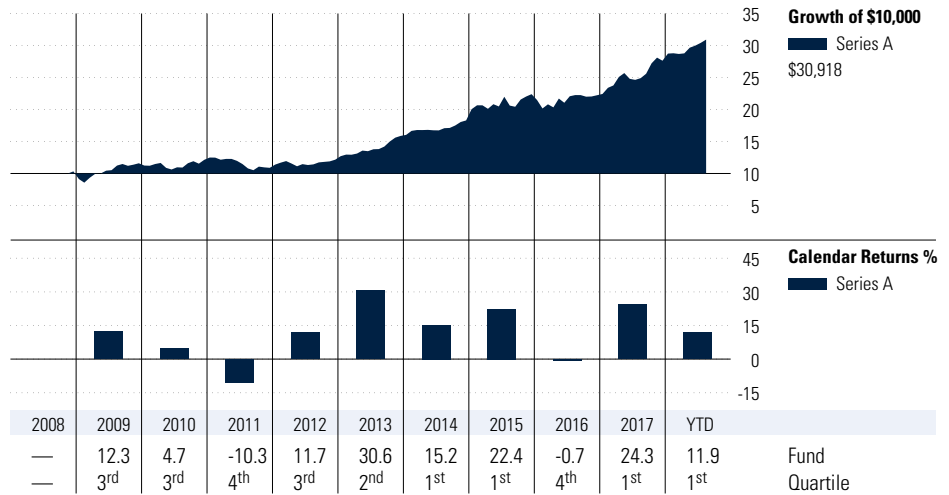
### Top 5 Sectors

	% Equity
Financials	22.5
Consumer Discretionary	17.6
Health Care	14.8
Information Technology	13.3
Industrials	11.6

### Geographic Allocations

	% Assets
United States	58.9
United Kingdom	10.6
Switzerland	4.7
Japan	4.5
India	4.1

## 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 %
	1.7	4.3	7.4	24.2	14.5	17.5	—	12.3	Fund
	1 <sup>st</sup>	2 <sup>nd</sup>	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>	—	—	Quartile
	1871	1809	1731	1597	1077	815	425	—	No. of Funds in Category

# PH&N Global Equity Fund

## Management Overview

### Manager Bios

#### Habib Subjally

#### RBC Global Asset Management (UK) Limited

Habib has served as Head of Global Equities and leader of this team since 2006. Prior to that, he held positions at Head of Global Equities with First State Investments, April 2006 to March 2014, Credit Suisse (Head of Small & Mid Cap Research), Invesco (Head of Global Equities), Merrill Lynch Investment Managers (Head of North American and Global Equities Research, and Manager, Mercury Global Titans Fund) and Ernst & Young. Habib holds a BSc (Hons) from the London School of Economics and the Chartered Accountant and ASIP designations.

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

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	—	—	—	—	0.06	0.06	0.23	0.03	0.08	0.02
Interest	—	—	—	—	—	0.06	0.06	0.23	0.03	0.08	0.02
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	7-2015	31.4	7-2015	24.8	11-2017	18.8	—	—
Worst	12-2011	-10.3	8-2012	0.5	9-2014	8.3	—	—
Average		13.0		12.8		13.9		—
No. of Periods		106		82		58		—
Pct. Positive		85.8		100.0		100.0		—

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

### Quarterly Commentary as at June 30, 2018

Our holding in U.S. onshore oil exploration and production company, EOG Resources Inc., was the biggest contributor to relative returns this quarter, rising on continued operational performance and a supportive oil price. U.S. bank, Silicon Valley Bank, which is an early-stage lender to high-tech companies, rose by over 20% in the quarter after posting some impressive numbers. U.S. discount retailer, TJX Companies Inc., advanced on strong year-on-year same-store sales growth.

Our holding in German logistics company, Deutsche Post DHL Group, was the biggest detractor from relative returns during the quarter. The stock fell after the company reported weaker-than-expected results as its postal and supply chain weakness offset strong numbers from its express delivery division. Taiwanese manufacturer, Taiwan Semiconductor Manufacturing Company Ltd., also detracted as the stock fell following disappointing first quarter results and reduced guidance on projected smartphone demand. Another detractor was U.S. biotech company, Incyte Corp., which sold off markedly after a disappointing trial result from one of its cancer

combination compounds. We believe the market reaction was excessive, however, and largely ignores the company's research and development potential.

Volatility in global equity markets continued in the second quarter. Markets have been buffeted by an escalating trade war between the U.S. and China, now extending to the EU and Canada; a substantial slump in Chinese equity prices; and a reversal of positive sentiment toward Europe in early 2018. Against this backdrop, there remained a strong bid for some of the largest U.S. technology names and the buoyant oil price supported energy companies.

As always, the team remains committed to the discovery of companies that we deem to be future success stories. We are constantly searching for compelling long-term opportunities at the right valuations while avoiding businesses that are overvalued or optically cheap, but fundamentally flawed.

# PH&N Global Equity 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, 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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