

# 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	362.6
Series A NAV \$	19.16
Series A MER %	2.06
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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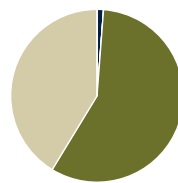
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

## Notes

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

## Portfolio Analysis as of May 31, 2018

### Asset Mix

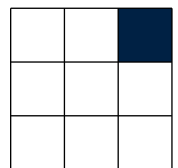


	% Assets
Cash	1.2
Fixed Income	0.0
Canadian Equity	0.0
US Equity	57.5
International Equity	41.3
Other	0.0

### Top 10 Holdings

	% Assets
UnitedHealth Group Inc	5.3
EOG Resources Inc	5.0
The Estee Lauder Companies Inc Class A	4.4
First Republic Bank	4.4
HDFC Bank Ltd ADR	4.3
TJX Companies Inc	4.2
Fortive Corp	4.2
Roche Holding AG Dividend Right Cert.	4.2
Amazon.com Inc	3.7
SVB Financial Group	3.7
Total % of Top 10 Holdings	43.2
Total Number of Portfolio Holdings	33
Total Number of Stock Holdings	32
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Underlying Holdings</b>	<b>33</b>

### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	3.2
P/E Ratio	21.0
Avg. Mkt Cap. \$B	79.5

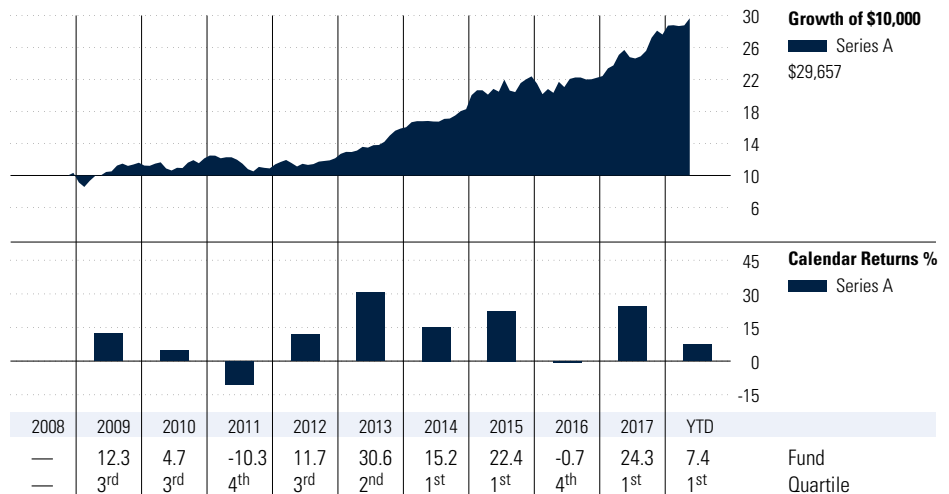
### Top 5 Sectors

	% Equity
Financials	23.2
Consumer Discretionary	17.7
Health Care	14.2
Information Technology	12.8
Industrials	12.0

### Geographic Allocations

	% Assets
United States	58.2
United Kingdom	11.0
Japan	5.0
India	4.4
Switzerland	4.2

## Performance Analysis as of May 31, 2018



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	3.1	3.0	5.5	15.4	12.5	16.9	—	12.1	Fund
	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>	—	—	Quartile
	1817	1756	1731	1610	1065	753	410	—	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 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 May 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		12.7		12.7		13.7		—
No. of Periods		103		79		55		—
Pct. Positive		85.4		100.0		100.0		—

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

### Quarterly Commentary as at March 31, 2018

The first quarter of 2018 started strongly, but was fragmented in February as markets sold off in concert, driven by volatility trade unwinds and valuation concerns. March was also negative with concerns around the re-emergence of protectionism, especially between the United States and China. Valuations in the burgeoning Technology sector were also reappraised in light of some firms' cavalier attitudes toward customer data.

U.S. cosmetics producer, Estée Lauder Companies Inc., was the largest contributor to relative returns this quarter. The stock has had a very strong run with demand from China, e-commerce and travel retail driving sales growth. Japanese manufacturer of precision motors, Nidec Corp., also performed well with strong results alongside an intention to bring capital expenditures forward to satisfy increasing demand in automobile electrification, robots, energy-saving home appliances and drone motors. U.S. online retailer and cloud-computing provider, Amazon.com Inc., returned almost 24% over the quarter after strong growth and results, and benefited from the announcement of new

business initiatives, such as health-care distribution.

Irish gaming company, Paddy Power Betfair plc, was the biggest detractor from relative returns in the first quarter. Stock performance weakened after changes to senior management and a poor response from some investors to the company's increased investment plans, which may impact shorter-term revenues. South African media conglomerate, Naspers, also fell after selling a 2% stake in Chinese media giant, Tencent Holdings Ltd. There was disappointment that Naspers' USD 10 billion in proceeds would not be returned to investors, but rather redeployed in some of the company's other businesses.

As always, the team remains committed to the discovery of companies deemed 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 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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