

# PH&N U.S. Multi-Style All-Cap Equity Fund

## Investment Objective

The fundamental investment objective of the Fund is to provide long-term capital growth primarily through exposure to a well-diversified portfolio of U.S. equity securities.

## Fund Details

| Series | Load Structure | Currency | Fund Code |
|--------|----------------|----------|-----------|
| A      | No Load        | CAD      | RBF7380   |
| Adv    | Front End      | CAD      | RBF6380   |
| Adv    | Low Load       | CAD      | RBF4380   |

|                         |                                       |
|-------------------------|---------------------------------------|
| Inception Date          | June 2010                             |
| Total Fund Assets \$Mil | 5,423.0                               |
| Series A NAV \$         | 18.31                                 |
| Series A MER %          | 1.85                                  |
| Benchmark               | Russell 3000 Total Return Index (C\$) |

|                            |          |
|----------------------------|----------|
| Income Distribution        | Annually |
| Capital Gains Distribution | Annually |

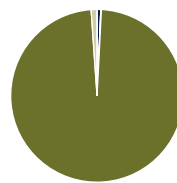
|                          |      |
|--------------------------|------|
| Sales Status             | Open |
| Min. Investment \$       | 500  |
| Subsequent Investment \$ | 25   |

|               |           |
|---------------|-----------|
| Fund Category | US Equity |
|---------------|-----------|

|                    |                                  |
|--------------------|----------------------------------|
| Management Company | RBC Global Asset Management Inc. |
| Web Site           | www.rbcgam.com                   |

## Portfolio Analysis as of November 30, 2018

### Asset Mix

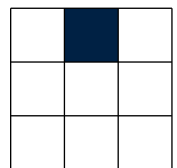


|                      | % Assets |
|----------------------|----------|
| Cash                 | 0.7      |
| Fixed Income         | 0.0      |
| Canadian Equity      | 0.1      |
| US Equity            | 98.1     |
| International Equity | 1.1      |
| Other                | 0.0      |

### Top 10 Holdings

|                                 | % Assets   |
|---------------------------------|------------|
| Microsoft Corp                  | 3.4        |
| Apple Inc                       | 2.9        |
| Amazon.com Inc                  | 2.9        |
| Verizon Communications Inc      | 1.6        |
| JPMorgan Chase & Co             | 1.4        |
| Alphabet Inc Class C            | 1.3        |
| Boeing Co                       | 1.2        |
| Bank of America Corporation     | 1.2        |
| The Home Depot Inc              | 1.2        |
| Mastercard Inc A                | 1.2        |
| Total % of Top 10 Holdings      | 18.2       |
| Total Number of Stock Holdings  | 604        |
| Total Number of Bond Holdings   | 0          |
| Total Number of Other Holdings  | 1          |
| <b>Total Number of Holdings</b> | <b>605</b> |

### Equity Style



Value Blend Growth

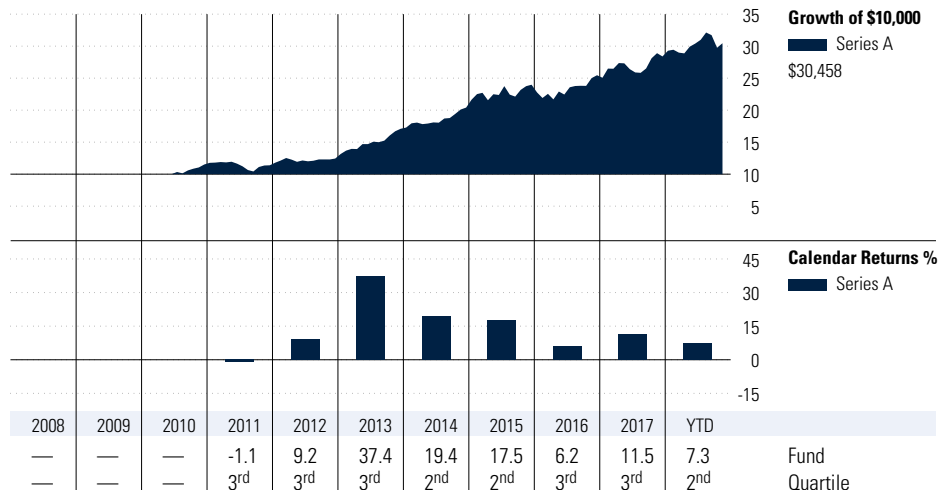
### Equity Statistics

|                   |      |
|-------------------|------|
| P/B Ratio         | 2.8  |
| P/E Ratio         | 16.4 |
| Avg. Mkt Cap. \$B | 69.4 |

### Global Equity Sectors

|                        | % Equity |
|------------------------|----------|
| Information Technology | 21.2     |
| Health Care            | 15.2     |
| Financials             | 14.0     |
| Consumer Discretionary | 11.7     |
| Industrials            | 10.8     |
| Consumer Staples       | 8.2      |
| Communication Services | 7.5      |
| Energy                 | 4.2      |
| Materials              | 2.5      |
| Real Estate            | 2.3      |
| Utilities              | 2.3      |
| Unclassified           | 0.0      |

## Performance Analysis as of November 30, 2018



|                          | 1 Mth | 3 Mth | 6 Mth | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Since Incep. | Trailing Return %        |
|--------------------------|-------|-------|-------|------|------|------|-------|--------------|--------------------------|
| Fund                     | 2.4   | -5.2  | 1.8   | 5.4  | 8.7  | 12.8 | —     | 14.1         | Fund                     |
| Quartile                 | 3rd   | 3rd   | 3rd   | 3rd  | 3rd  | 2nd  | —     | —            | Quartile                 |
| No. of Funds in Category | 1526  | 1505  | 1466  | 1430 | 977  | 668  | 282   | —            | No. of Funds in Category |

# PH&N U.S. Multi-Style All-Cap Equity Fund

## Management Overview

### Manager Bios

#### Sarah Riopelle

#### RBC Global Asset Management Inc.

Sarah Riopelle is Vice President and Senior Portfolio Manager, Investment Solutions. Sarah began her investment career in 1996. She is a member of the RBC Investment Strategy Committee and is responsible for the firm's Portfolio Solutions. Sarah has a Bachelor of Commerce in Finance and International Management from the University of Ottawa and is a CFA charter holder.

### Performance Analysis Cont'd as of November 30, 2018

| Distributions (\$)/Unit | YTD* | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 |
|-------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Total Distributions     | —    | 1.32 | 0.59 | 1.50 | 1.96 | 1.43 | 0.83 | —    | —    | —    | —    |
| Interest                | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |
| Dividends               | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |
| Capital Gains           | —    | 1.32 | 0.59 | 1.50 | 1.96 | 1.43 | 0.83 | —    | —    | —    | —    |
| Return Of Capital       | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |

| Best/Worst Periods % | Ended   | 1 Yr | Ended  | 3 Yr  | Ended   | 5 Yr  | Ended | 10 Yr |
|----------------------|---------|------|--------|-------|---------|-------|-------|-------|
| Best                 | 12-2013 | 37.4 | 7-2015 | 25.5  | 11-2017 | 18.6  | —     | —     |
| Worst                | 2-2016  | -2.7 | 3-2018 | 8.5   | 11-2018 | 12.8  | —     | —     |
| Average              |         | 14.6 |        | 16.0  |         | 16.2  |       | —     |
| No. of Periods       |         | 90   |        | 66    |         | 42    |       | —     |
| Pct. Positive        |         | 93.3 |        | 100.0 |         | 100.0 |       | —     |

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

### Quarterly Commentary as at September 30, 2018

Trade and the accelerating U.S. economy were the big stories in the third quarter of 2018. The U.S. raised pressure on China to open up its economy, but by quarter end there was scant evidence that the conflict had done much to hinder the U.S. economic expansion. U.S. stocks posted solid gains during the period, with the benchmark index rising to an all-time high, supported by a solid economic backdrop and robust earnings growth. The continued economic expansion led the U.S. Federal Reserve to raise interest rates during the period.

The Fund underperformed its benchmark, the Russell 3000 Index, during the quarter. The Large Cap Value and Growth strategies had a positive impact on performance. However, the Mid Cap Value and Small Cap Value sleeves detracted from returns.

Economic growth is strong in the U.S., but many other economies are slowing. Protectionism and Chinese economic deceleration are among the risks threatening the solid, albeit moderating, global growth. While we expect continued expansion, the slowdown has led us to lower our developed-world growth forecasts.

Our analysis of a variety of scenarios suggests that stocks in the U.S. can deliver decent upside with reasonable assumptions, as long as earnings continue to come through as analysts expect. We recognize, however, that given the late stage in the business cycle and the fact that valuations are above equilibrium, earnings growth is now critical to sustaining the bull market in stocks.

## PH&N U.S. Multi-Style All-Cap 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 preceding calendar year or most recent half-year period ended June 30 expressed on an annualized basis, depending on availability of data at the time of publication.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the preceding full year period ended March 31 or half-year period ended September 30 expressed on an annualized basis, depending on availability of data at the time of publication.

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 November 30, 2018.

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