

# PH&N \$U.S. Money Market Fund

## Investment Objective

To provide a steady level of current income while preserving capital by investing primarily in a well-diversified portfolio of short-term Canadian money market securities denominated in U.S. dollars.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	USD	RBF7500
Adv	Front End	USD	RBF6500
Adv	Low Load	USD	RBF4500

Inception Date	November 2008
Total Fund Assets \$Mil	74.4
Series A Current Yield%	1.98
Series A MER %	0.27
Benchmark	FTSE 30-Day T-Bill Index

Income Distribution	Monthly
Capital Gains Distribution	Annually

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

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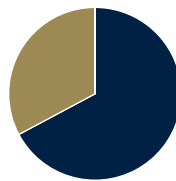
Web Site	www.rbcgam.com
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## Notes

The current yield is an annualized yield based on the seven day period ended as of the date of the Performance Analysis.

## Portfolio Analysis as of August 31, 2018

### Asset Mix



	% Assets
Cash	67.2
Fixed Income	32.8
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

### Term to Maturity

	%
0 - 30 days	53
31 - 60 days	24
61 - 90 days	15
90 + days	8
Avg. Term to maturity (days)	41

### Cash Breakdown

	Cash (%)
Treasury Bills	21.5
Provincial Bills	7.7
Bankers Acceptance	21.3
Commercial Paper	3.4
Bank Deposits	46.0

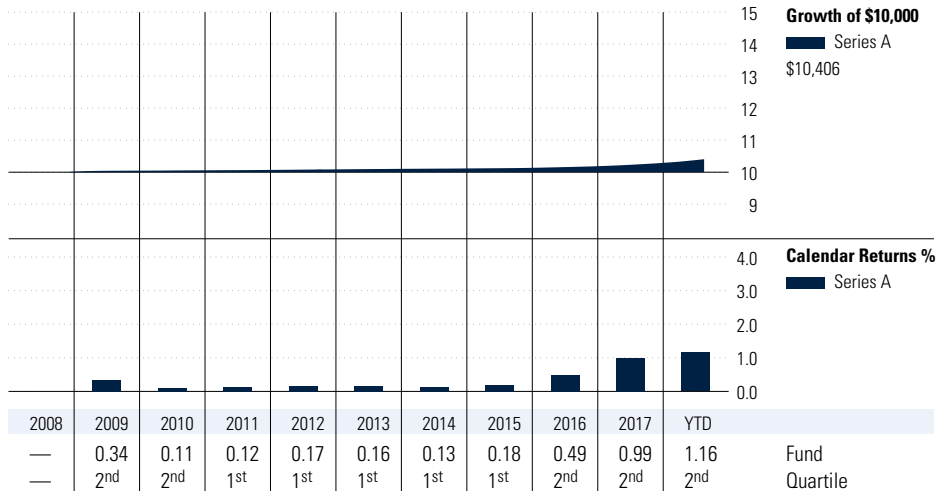
### Credit Quality

	%
R1 High	90.3
R1 Medium	7.7
R1 Low	1.9
Avg. Rating	R1H

### Top 10 Holdings

	% Assets
Govt Of Canada T-Bills	1.934%
Province Of Quebec	2.051%
Bank Of Nova Scotia	2.069%
Bank Of Montreal	2.133%
Export Development Cda	2.27%
Canadian Master Tr	2.402%
Export Development Cda	2.211%
Ridge Trust	2.441%
Bank Of Montreal	2.151%
Merit Trust	2.291%
Total % of Top 10 Holdings	54.4
Total Number of Stock Holdings	0
Total Number of Bond Holdings	9
Total Number of Other Holdings	24
<b>Total Number of Holdings</b>	<b>33</b>

## 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 %
	0.17	0.50	0.93	1.56	0.91	0.60	—	0.41	Fund
	2nd	2nd	2nd	2nd	2nd	2nd	—	—	Quartile
	39	39	38	35	27	27	22	—	No. of Funds in Category

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## Management Overview

### Manager Bios

#### PH&N Fixed Income Team

With one of the largest bond desks in Canada consisting of over 30 investment professionals, Phillips, Hager & North Investment Management (PH&N IM) has been managing bonds since 1970 and currently manages fixed income portfolios according to strict quality and diversification guidelines. PH&N IM's strengths as a bond manager are directly related to its depth of resources – both people and technology – dedicated to the management of fixed income portfolios.

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

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.12	0.10	0.05	0.02	0.01	0.02	0.02	0.01	0.01	0.03	0.02
Interest	0.12	0.10	0.05	0.02	0.01	0.02	0.02	0.01	0.01	0.03	0.02
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	8-2018	1.56	8-2018	0.91	8-2018	0.60	—	—
Worst	8-2011	0.10	6-2012	0.12	8-2014	0.13	—	—
Average		0.32		0.25		0.24		—
No. of Periods		106		82		58		—
Pct. Positive		100.00		100.00		100.00		—

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

### Quarterly Commentary as at June 30, 2018

The U.S. Federal Reserve (Fed) continued to raise its policy rate this quarter, increasing the federal funds rate by 0.25% in June to end the quarter at a range of 1.75% to 2.00%. In its statement and corresponding press conference, the Fed signalled its desire to continue tightening monetary policy and move back to a more normal monetary policy regime. Looking forward, market participants expect the Fed to maintain its current quarterly pace for rate hikes, meaning it is likely we will see two more through the end of the year. Correspondingly, we expect short-term U.S. interest rates to trend higher as the Fed continues along the path to its long-term median policy-rate projection range of 2.75% to 3.0%.

The Fund's strategy going forward remains focused on preserving capital while maximizing yield by investing in high-quality securities that pay an incremental yield over and above what is available from U.S. Government T-bills. To this end, the Fund is predominantly invested in corporate securities, such as asset-backed commercial paper, bankers' acceptances and commercial paper of high-quality corporate borrowers and, to a lesser extent, the U.S. dollar denominated debt of Canadian provinces as these securities continue to provide attractive risk-adjusted incremental yield. As always, safety of principal and return of capital is not compromised and remains the primary objective of the Fund.

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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.

Phillips, Hager & North Investment Management (PH&N IM) is a division of RBC Global Asset Management Inc. (RBC GAM). RBC GAM is the fund manager and the principal portfolio adviser of PH&N Funds. The principal distributor of PH&N Funds is Phillips, Hager & North Investment Funds Ltd.

(PH&NIF), which uses the trade name PH&N Investment Services. RBC GAM is an indirect, wholly-owned subsidiary of Royal Bank of Canada.

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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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