

PH&N Canadian Equity Value Fund

Investment Objective

The fundamental investment objective of the Fund is to provide long-term capital growth. The Fund invests primarily in equity securities of Canadian issuers priced below the portfolio manager's assessment of their true value and offering long-term opportunities for growth.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF7670
Adv	Front End	CAD	RBF6670
Adv	Low Load	CAD	RBF4670
T5	No Load	CAD	RBF3670

Inception Date	December 2009
Total Fund Assets \$Mil	1,624.3
Series A NAV \$	13.88
Series A MER %	1.87
Benchmark	S&P/TSX Capped Composite Total Return Index

Income Distribution	Annually
Capital Gains Distribution	Annually

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

Fund Category	Canadian Equity
---------------	-----------------

Management Company	RBC Global Asset Management Inc.
--------------------	----------------------------------

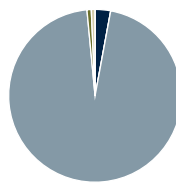
Web Site	www.rbcgam.com
----------	----------------

Notes

This is a continuing fund resulting from a merger effective June 27, 2014.

Portfolio Analysis as of November 30, 2018

Asset Mix

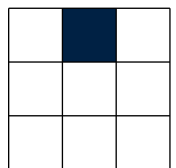


	% Assets
Cash	2.9
Fixed Income	0.0
Canadian Equity	95.5
US Equity	0.8
International Equity	0.7
Other	0.0

Top 10 Holdings

	% Assets
Royal Bank of Canada	7.1
The Toronto-Dominion Bank	6.8
Bank of Nova Scotia	4.7
Enbridge Inc	3.7
Suncor Energy Inc	3.7
Canadian National Railway Co	3.4
Brookfield Asset Mgmt Inc Cl A	2.9
Canadian Pacific Railway Ltd	2.7
Bank of Montreal	2.5
Canadian Natural Resources Ltd	2.4
Total % of Top 10 Holdings	39.9
Total Number of Stock Holdings	85
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	86

Equity Style



Value Blend Growth

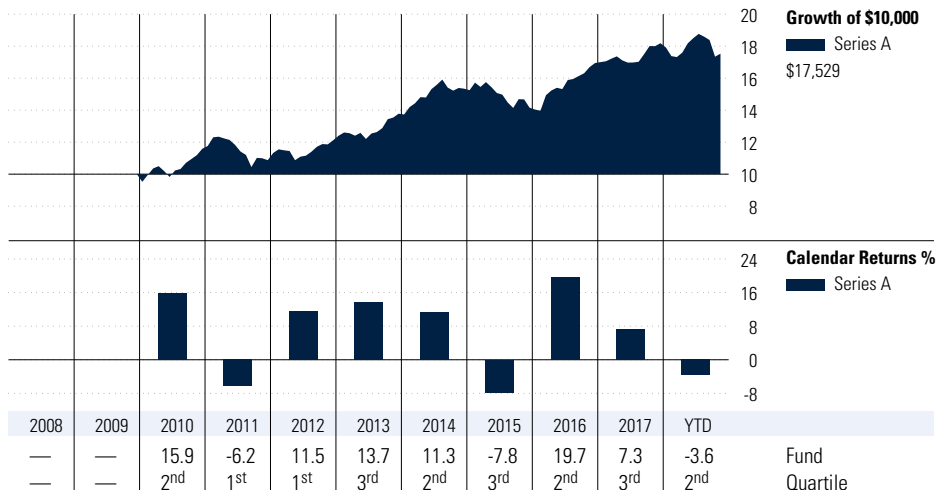
Equity Statistics

P/B Ratio	1.7
P/E Ratio	13.7
Avg. Mkt Cap. \$B	29.6

Global Equity Sectors

	% Equity
Financials	35.2
Energy	19.1
Industrials	13.7
Materials	7.8
Communication Services	7.5
Consumer Staples	5.1
Utilities	3.5
Real Estate	2.9
Consumer Discretionary	2.7
Information Technology	2.5
Health Care	0.0
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 %
1.1	-5.7	-3.5	-2.6	6.1	5.3	—	6.5	Fund
3 rd	2 nd	2 nd	2 nd	2 nd	2 nd	—	—	Quartile
662	653	623	607	444	346	178	—	No. of Funds in Category

PH&N Canadian Equity Value Fund

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.

Irene Matsyalko
RBC Global Asset Management Inc.

Irene Matsyalko is Portfolio Manager and Senior North American Equities Research Analyst. She earned a Commerce degree from University of Toronto and is a CFA charterholder.

Sarah Neilson
RBC Global Asset Management Inc.

Sarah Neilson is Portfolio Manager and Senior North American Equities Research Analyst. Sarah earned a Bachelor of Science in Mechanical Engineering at Queens University, and an MBA from McGill University. Sarah is a CFA charterholder.

Performance Analysis Cont'd as of November 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.58	0.11	0.53	1.00	0.04	0.32	0.14	0.33	—	—
Interest	—	0.00	—	—	—	—	—	—	—	—	—
Dividends	—	0.09	0.11	0.06	0.04	0.04	—	—	—	—	—
Capital Gains	—	0.49	—	0.47	0.96	—	0.32	0.14	0.33	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	8-2014	26.0	9-2014	13.8	1-2015	9.9	—	—
Worst	2-2016	-11.1	8-2017	2.3	2-2016	2.6	—	—
Average		7.6		7.3		7.5		—
No. of Periods		96		72		48		—
Pct. Positive		75.0		100.0		100.0		—

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

Quarterly Commentary as at September 30, 2018

The S&P/TSX Composite Index hit an all-time high in mid-July. It then retreated during the remainder of the quarter on uncertainty about the impact of the Trump administration's focus on global trade and NAFTA. At the very end of September, however, Canada agreed to join an updated trade deal to be called the United States-Mexico-Canada Agreement, or USMCA. If approved by legislators in the three countries, the new deal would avoid abandonment of one of the world's most successful trading arrangements.

Relative performance of the Fund was positively influenced by asset weighting and security selection. In particular, the Fund benefited from its underweight position in the Materials sector. Our overweight position in ATS Automation Tooling Systems in Industrials was another positive contributor to performance. The company's new management group continues to tick the boxes – winning new business, increasing operating margins and using its balance sheet to grow the business.

The largest detractor over the quarter was the Fund's overweight position in MEG Energy. The stock came back off previous strong performance due to concerns over widening spreads for Canadian heavy crude oil.

Overall, the Canadian economy continues to show signs of strength. The unemployment rate is at its lowest level in four decades. There has been a string of positive policy developments, coinciding with the possibility of business tax cuts in the next federal budget. These have stoked optimism that the Canadian economy can continue to expand comfortably.

That said, concerns remain. Some investors are worried about the sustainability of Canada's domestic housing market and the country's diminishing competitiveness relative to the U.S. In our view, Canadian equities remain attractively valued. We believe there is the potential for gains in the months ahead.

PH&N Canadian Equity Value 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.

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.

This document has been compiled by RBC Global Asset Management Inc. (RBC GAM) from sources believed to be reliable, but no representations or warranty, express or implied, are made by RBC GAM, its affiliates or any other person as to its accuracy, completeness or correctness. All opinions and estimates constitute RBC GAM's judgment as of the date of this document, are subject to change without notice and are provided in good faith but without legal responsibility. The Top Ten/25 Holdings may change due to ongoing portfolio transactions within the fund. The Prospectus and other information about the underlying investment funds are available at www.sedar.com.

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.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2018