



# RBC Private Canadian Dividend Pool

## Investment Objective

To achieve long-term total returns consisting of regular dividend income, which benefits from the preferential tax treatment given to dividends from Canadian companies, and modest long-term capital growth. The Fund invests primarily in common shares, with above-average dividend yields. The Fund also invests in preferred shares of major Canadian companies.

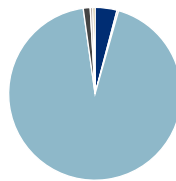
The investment team invests in a concentrated selection of blue-chip Canadian companies, taking a conservative approach and concentrating on companies with stable earnings and strong long-term growth prospects. Emphasis is placed on companies whose shares are attractively valued and that have an above-average dividend yield. The investment team seeks out growth opportunities by targeting companies that have a good ability to compound their business over time and increase their dividends along with that growth.

## Fund Details

Series	Currency	Fund Code
0	CAD	RBF10124
Inception Date August 2003		
Total Fund Assets \$Mil 2,701.9		
Benchmark 66.67% S&P/TSX Dividend TR, 33.33% S&P/TSX Dividend TR ex Energy & Materials, but including Oil & Gas Refining & Marketing and Oil & Gas Storage & Transportation Sub-industries		

## Portfolio Analysis as of June 30, 2019

### Asset Mix



	% Assets
Cash	4.1
Fixed Income	0.3
Canadian Equity	93.5
US Equity	1.3
International Equity	0.5
Other	0.4

### Top 25 Holdings

	% Assets
Royal Bank of Canada	8.2
The Toronto-Dominion Bank	7.5
Bank of Nova Scotia	5.8
Canadian National Railway Co	4.8
Enbridge Inc	4.4
Brookfield Asset Mgmt Inc Cl A	4.1
TC Energy Corp	3.5
Bank of Montreal	3.1
Canadian Pacific Railway Ltd	2.7
Manulife Financial Corp	2.7
Suncor Energy Inc	2.5
CIBC	2.4
Canadian Natural Resources Ltd	2.2
Thomson Reuters Corp	1.9
BCE Inc	1.9
Sun Life Financial Inc	1.7
Rogers Communications Inc Class B	1.6
Alimentation Couche-Tard Inc Class B	1.6
Fortis Inc	1.5
TELUS Corp	1.5
Nutrien Ltd	1.4
Pembina Pipeline Corp	1.2
Loblaw Companies Ltd	1.2
Imperial Oil Ltd	1.1
Fairfax Financial Hldgs Shs Subord.Vtg	1.0
<b>Total % of Top 25 Holdings</b>	<b>71.4</b>
<b>Total Number of Stock Holdings</b>	<b>71</b>
<b>Total Number of Bond Holdings</b>	<b>0</b>
<b>Total Number of Other Holdings</b>	<b>5</b>
<b>Total Number of Holdings</b>	<b>76</b>

### Equity Style

	Large	Mid	Small
Value	31	9	2
Blend	30	7	0
Growth	19	1	1

Weight %  
 ● > 50  
 ● 25 - 50  
 ● 10 - 25  
 ○ 0 - 10

### Equity Statistics

P/B Ratio	1.6
P/E Ratio	13.9
P/FCF	4.8
P/S	1.3
Avg. Mkt Cap. \$B	37.8
Dividend Yield	3.6

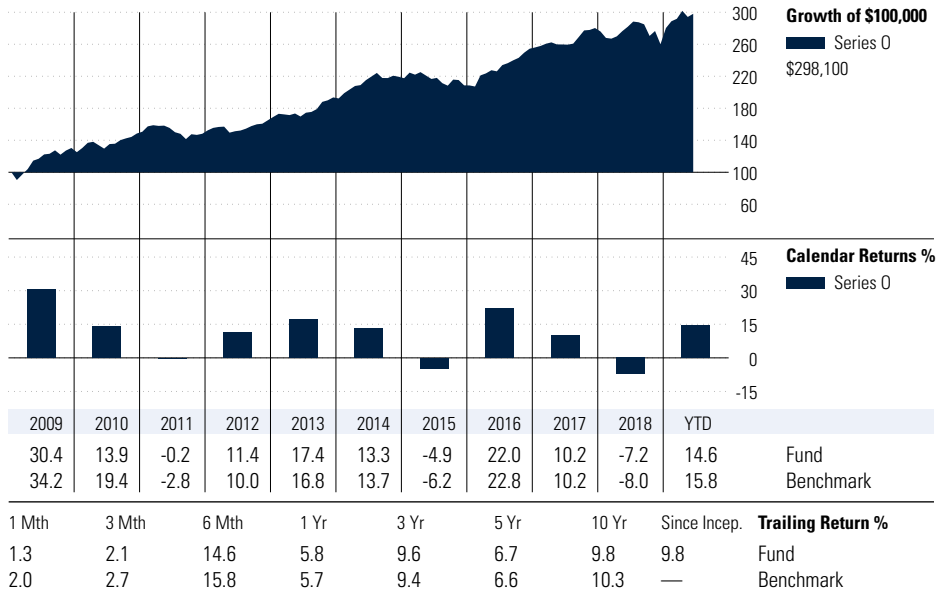
### Top 5 Equity Sectors

	% Equity
Financials	42.8
Energy	17.4
Industrials	11.9
Utilities	7.2
Communication Services	6.9
<b>% in Top 5 Equity Sectors</b>	<b>86.2</b>

### Risk Measures

	Fund	Benchmark
3 Year Std Dev	8.6	8.8
5 Year Std Dev	8.4	8.8

## Performance Analysis as of June 30, 2019





# RBC Private Canadian Dividend Pool

## Management Overview

### Manager Bios

#### 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.

#### 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.

#### Sean McCurley

##### RBC Global Asset Management Inc.

Sean is Portfolio Manager and North American Equities Research Analyst. Sean holds a Bachelor of Arts from McGill University and MBA from Rotman School of Management, and is a CFA charterholder.

#### Jonathan Millman

##### RBC Global Asset Management Inc.

Jonathan is Portfolio Manager and Analyst for the North American equities team, responsible for the Consumer Discretionary, Consumer Staples, Health Care and Utilities sectors. He holds a Bachelor of Arts in Economics from Wilfrid Laurier University and is a CFA charterholder.

### Performance Analysis Cont'd as of June 30, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	1.04	1.75	1.38	1.30	1.14	1.10	1.06	0.94	0.94	0.89	0.82
Interest	1.04	0.04	0.01	0.09	0.04	0.06	0.00	0.03	0.01	0.00	0.08
Dividends	—	1.45	1.37	1.21	1.11	1.03	1.06	0.92	0.88	0.89	0.74
Capital Gains	—	0.25	—	—	—	—	—	—	0.05	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2010	44.4	5-2007	21.1	2-2014	17.1	2-2019	12.3
Worst	2-2009	-30.2	2-2009	-7.4	5-2012	1.6	2-2016	6.2
Average		10.1		9.3		8.5		8.7
No. of Periods		179		155		131		71
Pct. Positive		80.4		93.5		100.0		100.0

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

### Commentary as at June 30, 2019

The S&P/TSX Composite Index joined other global equity markets in rebounding from declines recorded in late 2018. A number of macroeconomic developments continue to be the focus for equity investors, including the outlook for global trade, the path and pace of global economic growth, and their combined impact on corporate earnings. The uncertain economic backdrop has resulted in central banks moving to a more cautious approach on monetary policy, which has supported equity valuations.

The Fund's relative performance in the first half of 2019 was aided by asset allocation and security selection in the Utilities and Energy sectors. The Fund's overweight position in TransAlta contributed to performance as shares in the Calgary-based utility advanced after Brookfield Asset Management agreed to buy TransAlta's

electricity assets and invest in the company. The Fund's overweight position in Thomson Reuters also helped relative performance. The company, which is in the Industrials sector, benefited from strong revenue growth.

Canada's economic outlook reflects slowing U.S. growth, trade uncertainty, moderating housing activity and competitiveness concerns. There is also considerable pressure on the Canadian energy sector due to the continuously challenging environment for the production and transportation of crude oil. On a positive note, job creation in Canada has been accelerating at a swift pace. Overall, the portfolio manager expects below average economic growth in Canada over the next year.



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## Disclosure

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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.

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MER (%) for RBC Funds, RBC Private Pools, 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.

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.

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