



RBC Private U.S. Growth Equity Pool

Investment Objective

To provide long-term growth primarily through capital appreciation by investing in common stocks and equivalent securities of U.S. corporations that offer above average prospects for growth.

The investment team conducts bottom-up fundamental research to identify above-average growth businesses that are industry leaders or hold a proprietary advantage over their competition. The outcome of their in-depth fundamental research is a concentrated portfolio of approximately 30–40 holdings that represent the investment team's very best ideas.

Fund Details

Series	Currency	Fund Code
0	CAD	RBF10165
0	USD	RBF10167

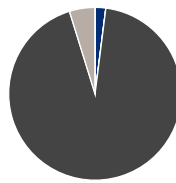
Inception Date	August 2003
Total Fund Assets \$Mil	471.3
Benchmark	Russell 1000 Growth Index (C\$)

Notes

Pool sub-advisor changed in June 2012. Performance Analysis is in CAD and for CAD series 0 fund (RBF10165). The USD series of the fund was launched February 6, 2006.

Portfolio Analysis as of June 30, 2019

Asset Mix



	% Assets
Cash	2.0
Fixed Income	0.0
Canadian Equity	0.0
US Equity	93.3
International Equity	4.8
Other	0.0

Top 25 Holdings

	% Assets
Microsoft Corp	4.6
Visa Inc Class A	4.5
Amazon.com Inc	4.5
Zoetis Inc Class A	4.4
PayPal Holdings Inc	4.1
SBA Communications Corp	4.0
Roper Technologies Inc	4.0
Thermo Fisher Scientific Inc	3.9
Danaher Corp	3.7
Intuitive Surgical Inc	3.6
Intuit Inc	3.5
Sherwin-Williams Co	3.2
Cintas Corp	3.2
Autodesk Inc	3.2
The Estee Lauder Companies Inc Class A	3.1
Fortive Corp	3.1
Alphabet Inc Class C	3.1
Electronic Arts Inc	3.0
Salesforce.com Inc	2.9
DexCom Inc	2.9
Genpact Ltd	2.7
Amphenol Corp Class A	2.7
Booking Holdings Inc	2.6
Adobe Inc	2.6
TJX Companies Inc	2.5
Total % of Top 25 Holdings	85.6
Total Number of Stock Holdings	31
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	32

Equity Style



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

Equity Statistics

P/B Ratio	6.7
P/E Ratio	30.3
P/FCF	22.3
P/S	4.6
Avg. Mkt Cap. \$B	88.0
Dividend Yield	0.5

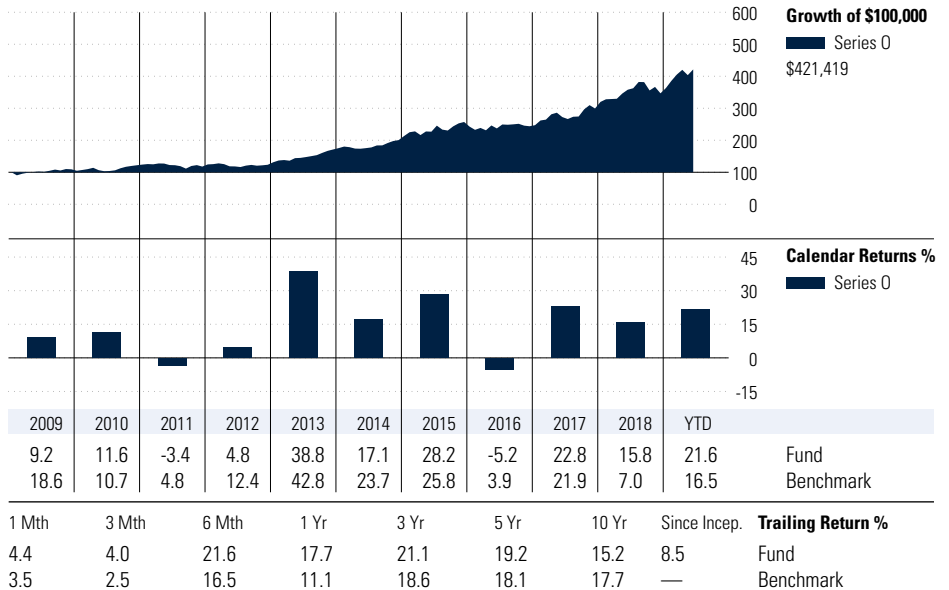
Top 5 Equity Sectors

	% Equity
Information Technology	35.2
Health Care	21.5
Industrials	12.2
Consumer Discretionary	9.9
Consumer Staples	7.8
% in Top 5 Equity Sectors	86.5

Risk Measures

	Fund	Benchmark
3 Year Std Dev	12.9	12.3
5 Year Std Dev	13.4	13.0

Performance Analysis as of June 30, 2019





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Management Overview

Manager Bios

Brown Advisory LLC

Brown Advisory is the primary investment advisory affiliate of Brown Advisory Incorporated, with principal offices in Baltimore, Washington, Boston and London. Since its founding as an affiliate of Alex Brown & Sons in 1993, the firm has grown strategically, with approximately \$29 billion in private and institutional client assets.

Performance Analysis Cont'd as of June 30, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	0.44	0.75	0.78	0.57	0.91	0.70	0.65	1.09	0.76	1.46	0.98
Interest	0.44	0.75	0.78	0.57	0.91	0.70	0.65	1.09	0.76	1.46	0.98
Dividends	—	—	0.00	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	8-2018	39.7	7-2015	28.3	11-2017	20.5	2-2019	15.6
Worst	2-2009	-31.2	1-2010	-11.4	2-2009	-6.0	8-2013	2.7
Average		9.3		9.2		9.1		8.0
No. of Periods		179		155		131		71
Pct. Positive		76.0		76.8		63.4		100.0

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

Commentary as at June 30, 2019

U.S. equity markets rose during the first six months of 2019, rebounding from declines at the end of 2018, as the U.S. economy and corporate earnings proved fairly resilient. The outperformance of U.S. equities was due mainly to the U.S. economy's strong footing relative to most other global economies, many of which started to experience some weakness.

Technology companies led the stock market higher in the first half of the year and were the biggest contributor to the Fund's returns. Financial technology, software and services were the best-performing segments in this area, with semiconductor and hardware stocks also generally performing well. The Fund's holdings in PayPal and Visa were among the top five contributors to the Fund's performance, as digital payments and

ecommerce continue to expand globally. Other portfolio holdings benefiting from economy-wide investments in technology included Autodesk and Microsoft. The Health Care sector also contributed to the Fund's relative performance. However, Health Care was the market's worst-performing sector amid concerns about the sustainability of drug prices and the potential for increased regulation of biotechnology stocks.

The absence of Facebook in the portfolio held back the Fund's relative returns given that the stock rebounded during the period. The sub-advisor eliminated the position last year as concerns mounted over management turnover and questions about the company's commitment to user privacy.



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Disclosure

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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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