



RBC Private U.S. Large-Cap Core Equity Pool

Investment Objective

To provide long-term total returns primarily consisting of capital appreciation. The Fund invests primarily in common stocks and equivalent securities of U.S. corporations.

The investment team seeks large-cap companies that exhibit lower price-to-earnings, price-to-book and price-to-cash flow ratios than those of the S&P 500 Index. Attractive investment candidates are viewed as subject to an improvement in fundamental characteristics, such as company restructuring, management changes, new product cycles and secular changes in the balance of supply and demand.

Fund Details

Series	Currency	Fund Code
0	CAD	RBF10257
0	USD	RBF10258

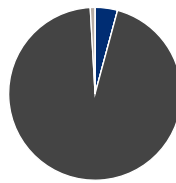
Inception Date	October 2008
Total Fund Assets \$Mil	2,546.4
Benchmark	S&P 500 Total Return Index (CAD)

Notes

Performance Analysis is in CAD and for CAD series 0 fund (RBF10257).

Portfolio Analysis as of June 30, 2019

Asset Mix



	% Assets
Cash	4.2
Fixed Income	0.0
Canadian Equity	0.0
US Equity	95.0
International Equity	0.9
Other	0.0

Top 25 Holdings

	% Assets
Microsoft Corp	5.1
Amazon.com Inc	3.9
Apple Inc	3.4
Alphabet Inc Class C	2.5
Facebook Inc A	2.4
Berkshire Hathaway Inc B	2.3
JPMorgan Chase & Co	2.0
Exxon Mobil Corp	1.9
Johnson & Johnson	1.9
Visa Inc Class A	1.8
Bank of America Corporation	1.6
Merck & Co Inc	1.5
Union Pacific Corp	1.4
Abbott Laboratories	1.4
The Walt Disney Co	1.3
Thermo Fisher Scientific Inc	1.2
Medtronic PLC	1.2
Honeywell International Inc	1.1
Pfizer Inc	1.1
Mastercard Inc A	1.1
The Home Depot Inc	1.1
Cisco Systems Inc	1.1
Comcast Corp Class A	1.0
Danaher Corp	1.0
Citigroup Inc	1.0
Total % of Top 25 Holdings	45.2
Total Number of Stock Holdings	508
Total Number of Bond Holdings	0
Total Number of Other Holdings	4
Total Number of Holdings	512

Equity Style

	Value	Blend	Growth
Large	25	34	34
Mid	2	2	3
Small	0	0	0

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

Equity Statistics

P/B Ratio	3.1
P/E Ratio	18.9
P/FCF	11.1
P/S	2.5
Avg. Mkt Cap. \$B	177.1
Dividend Yield	1.8

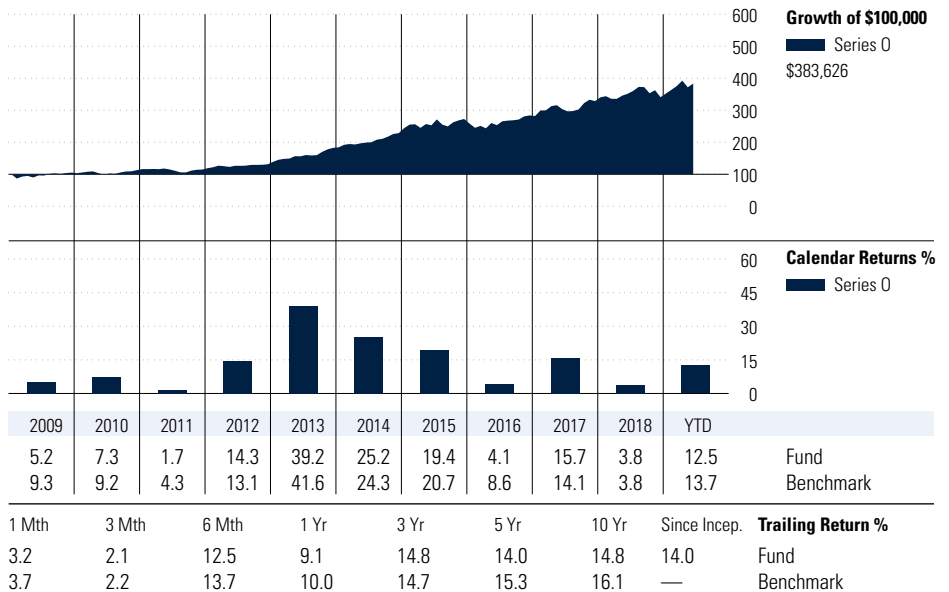
Top 5 Equity Sectors

	% Equity
Information Technology	23.0
Financials	14.1
Health Care	13.8
Communication Services	10.6
Consumer Discretionary	9.7
% in Top 5 Equity Sectors	71.1

Risk Measures

	Fund	Benchmark
3 Year Std Dev	10.7	10.8
5 Year Std Dev	12.1	11.5

Performance Analysis as of June 30, 2019





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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.

Performance Analysis Cont'd as of June 30, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	0.21	1.66	1.33	0.43	1.29	1.83	1.22	0.39	0.18	0.19	0.16
Interest	0.21	0.35	0.33	0.43	0.28	0.26	0.31	0.19	0.18	0.15	0.16
Dividends	—	—	0.00	—	—	—	—	—	—	—	—
Capital Gains	—	1.30	1.00	—	1.01	1.57	0.91	0.20	—	0.04	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2013	39.2	7-2015	29.0	7-2015	21.5	2-2019	15.4
Worst	2-2016	-4.0	10-2011	2.9	10-2013	10.7	12-2018	13.0
Average		15.2		16.4		17.6		14.5
No. of Periods		117		93		69		9
Pct. Positive		94.9		100.0		100.0		100.0

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

Commentary as at June 30, 2019

U.S. equity markets rallied in the first half of 2019, largely as a result of optimism that the U.S. Federal Reserve would lower short-term interest rates, perhaps as early as July, and growing confidence that a trade agreement between the U.S. and China would be reached. The S&P 500 Index had faced heightened volatility during May as trade negotiations between the U.S. and China appeared to fall apart, but the volatility subsided after U.S. President Trump and Chinese President Xi indicated that they would work toward a resolution.

The Fund's relative performance was aided by security selection in the Health Care sector. An overweight position in Advanced Micro Devices also boosted relative performance. The chipmaker's shares benefited from a plan to manufacture gaming chips for Google's streaming service and optimism about new products.

Security selection in the Communication Services sector contributed to overall performance. However, the Fund's overweight position in

Alphabet held back returns after the company reported first-quarter revenue that was lower than expectations, prompting fears that internet advertisers were starting to shift spending to competitors. In the portfolio manager's view, Alphabet continues to have the potential for continued ad growth in its search business, Google, and YouTube video platform.

Stocks are likely to rise modestly over the next year, in the view of the portfolio manager, but there are several scenarios that could lead to a different outcome. Stock gains may be more robust if the economic expansion lasts through 2021, which would likely depend on interest-rate cuts by the U.S. Federal Reserve, the resolution of the U.S.-China trade dispute and a re-accelerating Chinese economy. Alternatively, global growth would continue to slow if the U.S.-China dispute escalates, corporate earnings continue to fall and rising geopolitical risks cause investors to reduce valuations for equities and other risky assets.



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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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