



# RBC North American Growth Fund

## Investment Objective

To provide long-term capital growth by investing primarily in equity securities of Canadian and/or U.S. companies that offer above-average prospects for growth.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF265
Adv	Deferred Sales	CAD	RBF858
Adv	Front End	CAD	RBF767
Adv	Low Load	CAD	RBF131

Inception Date	January 1993
Total Fund Assets \$Mil	522.8
Series A NAV \$	33.33
Series A MER %	1.92
Benchmark	50% S&P/TSX Capped Composite Total Return Index 50% S&P 500 Total Return Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

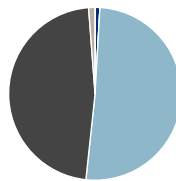
Fund Category	Canadian Focused Equity
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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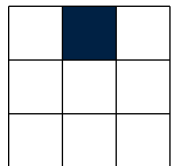
## Portfolio Analysis as of March 31, 2018

### Asset Mix



	% Assets
Cash	0.9
Fixed Income	0.0
Canadian Equity	50.8
US Equity	47.1
International Equity	1.2
Other	0.0

### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	2.0
P/E Ratio	16.3
Avg. Mkt Cap. \$B	60.9

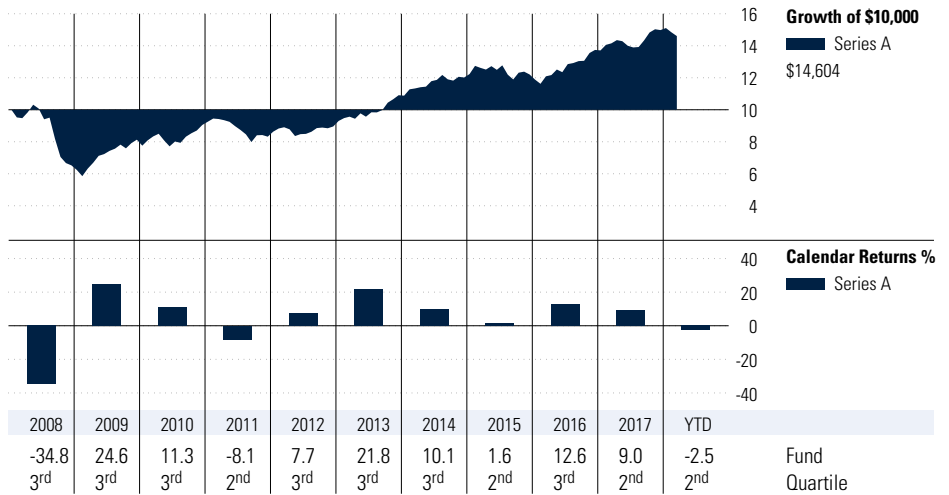
### Global Equity Sectors

	% Equity
Financials	27.2
Information Technology	14.7
Energy	13.5
Industrials	9.5
Consumer Discretionary	8.7
Materials	7.1
Health Care	6.3
Consumer Staples	5.4
Telecommunication Services	2.9
Utilities	2.4
Real Estate	2.2
Unclassified	0.0

### Top 25 Holdings

	% Assets
Royal Bank of Canada	4.4
The Toronto-Dominion Bank	3.8
Bank of Nova Scotia	2.9
Canadian National Railway Co	2.3
Suncor Energy Inc	2.2
Bank of Montreal	2.1
Apple Inc	1.8
Enbridge Inc	1.6
Microsoft Corp	1.6
Canadian Natural Resources Ltd	1.5
Alphabet Inc A	1.4
CIBC	1.4
TransCanada Corp	1.4
Amazon.com Inc	1.4
Brookfield Asset Management Inc Class A	1.3
Nutrien Ltd	1.2
JPMorgan Chase & Co	1.0
BCE Inc	1.0
Sun Life Financial Inc	0.9
Facebook Inc A	0.9
Canadian Pacific Railway Ltd	0.9
Bank of America Corporation	0.8
Berkshire Hathaway Inc B	0.8
Magna International Inc Class A	0.8
<b>Total % of Top 25 Holdings</b>	<b>40.8</b>
<b>Total Number of Stock Holdings</b>	<b>381</b>
<b>Total Number of Bond Holdings</b>	<b>0</b>
<b>Total Number of Other Holdings</b>	<b>4</b>
<b>Total Number of Holdings</b>	<b>385</b>

## Performance Analysis as of March 31, 2018



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
-1.6	-2.5	1.9	3.2	5.0	8.8	4.4	7.8	Fund
4 <sup>th</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	—	Quartile
739	733	726	693	534	419	207	—	No. of Funds in Category



# RBC North American Growth Fund

## Management Overview

### Manager Bios

#### Warner Sulz

##### RBC Global Asset Management Inc.

Warner Sulz is Vice President and Senior Portfolio Manager, Canadian Equities. He has been in the investment industry since 1986.

#### Rob Cavallo

##### RBC Global Asset Management Inc.

Rob is a Portfolio Manager with the North American equities team. Rob joined the firm in 2012 as a Global equities analyst with a focus on analyzing companies within the Health Care and Consumer sectors. Rob earned a Bachelor of Commerce degree at the University of Toronto and is a CFA charterholder.

#### Marcello Montanari

##### RBC Global Asset Management Inc.

Marcello Montanari is Vice President and Senior Portfolio Manager, North American Equities. Marcello began his career in the investment industry in 1992. He earned a Bachelor of Commerce degree in finance from Concordia University and is a CFA charterholder.

#### David Tron

##### RBC Global Asset Management Inc.

David is Portfolio Manager and North American Equity Analyst. He is responsible for providing research on the North American Technology sector. David is a CFA charterholder.

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

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	1.33	0.56	1.26	0.70	0.53	0.34	—	0.33	0.59	—
Interest	—	0.00	—	—	—	0.15	0.05	—	—	0.34	—
Dividends	—	0.05	0.52	0.08	0.30	0.38	0.28	—	0.33	0.25	—
Capital Gains	—	1.27	0.05	1.18	0.40	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2000	53.4	3-2006	27.9	10-2007	20.8	8-2008	11.6
Worst	2-2009	-38.6	2-2009	-10.7	5-2012	-3.7	4-2016	3.4
Average		8.2		7.7		7.4		6.8
No. of Periods		289		265		241		181
Pct. Positive		72.3		82.6		87.6		100.0

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

### Quarterly Commentary as at March 31, 2018

North American equity markets experienced negative results during the first quarter. The S&P 500 Index dropped 0.8% while the S&P/TSX Composite Index fell 4.5%. The Canadian dollar weakened 2.7% against the U.S. dollar, which positively impacted the returns on U.S. holdings before the effects of the modest currency hedge.

In Canada, the Consumer Discretionary, Materials and Utilities sectors had a positive impact on relative performance, but stock selection in Energy and Information Technology detracted from performance. U.S. relative performance was led by Consumer Staples, Financials and Real Estate, but hurt by stock selection in Health Care and Energy. The largest contributors to the Fund's relative performance during the quarter included Adobe Systems Inc., Stars Group Inc. and Pure Industrial REIT. Performance was negatively impacted by Albemarle Corp. and UrtheCast Corp.

After a strong start to the year, equity markets

corrected as investors became unsettled by the prospect of higher inflation and interest rates. Investor confidence remains elevated, bolstered by solid growth and corporate profit expectations, especially given the tailwind of U.S. tax cuts. However, it is important to note that, in this environment, it may be prudent to lower expectations and anticipate higher levels of volatility, which was unusually low last year. Demanding valuations may be vulnerable to disappointment.

In the U.S., the U.S. Federal Reserve has already hiked short-term rates once in 2018 and is expected to hike three more times in 2018. It is also actively shrinking its balance sheet. On the other hand, the Bank of Canada hiked its rate once early in 2018, but has reiterated its desire to be cautious on interest-rate hikes going forward by leaving it unchanged since.



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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 funds are not guaranteed or covered by the Canadian 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.

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MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the full year period, January 1 to December 31, 2017, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the half-year period, April 1, to September 30, 2017, expressed on an annualized basis.

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 March 31, 2018.

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