



# RBC Canadian Dividend Fund

## Investment Objective

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

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF266
A	No Load	USD	RBF405
Adv	Front End	CAD	RBF759
Adv	Low Load	CAD	RBF107
Adv	Low Load	USD	RBF4405
Adv T5	Front End	CAD	RBF777
Adv T5	Low Load	CAD	RBF071
T5	No Load	CAD	RBF538
T8	No Load	CAD	RBF598

Inception Date	January 1993
Total Fund Assets \$Mil	18,351.3
Series A NAV \$	70.61
Series A MER %	1.76
Benchmark	S&P/TSX Capped Composite Total Return Index

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

Fund Category	Canadian Dividend and Income Equity
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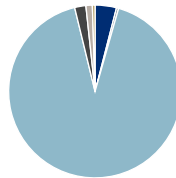
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

## Notes

Performance Analysis is in CAD and for CAD series A fund (RBF266).

## Portfolio Analysis as of September 30, 2017

### Asset Mix

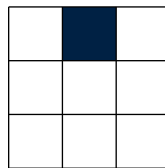


	% Assets
Cash	4.0
Fixed Income	0.4
Canadian Equity	91.8
US Equity	2.1
International Equity	1.2
Other	0.5

### Top 25 Holdings

	% Assets
Royal Bank of Canada	7.8
The Toronto-Dominion Bank	7.3
Bank of Nova Scotia	6.1
Canadian National Railway Co	4.9
Enbridge Inc	4.3
Brookfield Asset Management Inc Class A	4.2
Bank of Montreal	3.6
TransCanada Corp	3.2
CIBC	3.0
Suncor Energy Inc	3.0
Manulife Financial Corp	2.9
Canadian Natural Resources Ltd	2.6
Canadian Pacific Railway Ltd	1.9
TELUS Corp	1.7
Sun Life Financial Inc	1.6
Loblaw Companies Ltd	1.6
Power Corporation of Canada	1.5
PrairieSky Royalty Ltd	1.4
Thomson Reuters Corp	1.3
Imperial Oil Ltd	1.3
BCE Inc	1.3
Rogers Communications Inc Class B	1.3
Fortis Inc	1.2
Fairfax Financial Holdings Ltd	1.1
Onex Corp	1.1
Total % of Top 25 Holdings	71.2
Total Number of Stock Holdings	80
Total Number of Bond Holdings	0
Total Number of Other Holdings	6
<b>Total Number of Holdings</b>	<b>86</b>

### Equity Style



Value Blend Growth

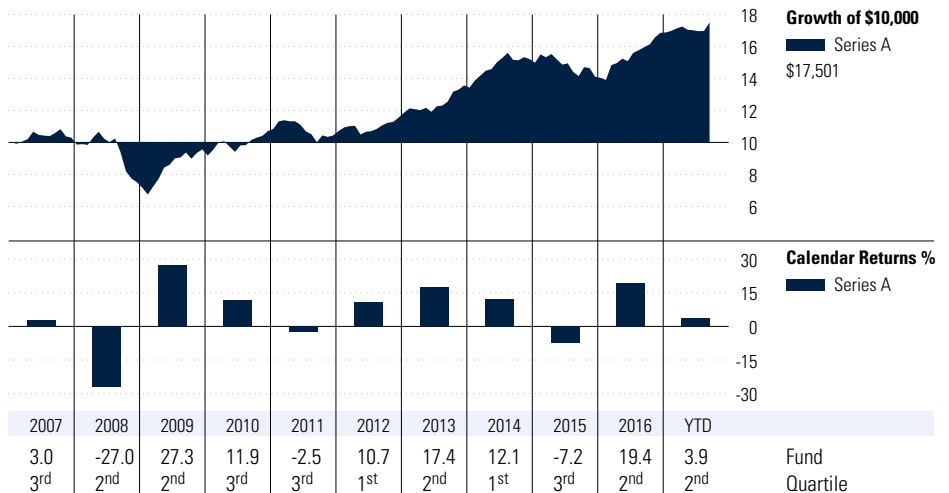
### Equity Statistics

P/B Ratio	1.9
P/E Ratio	16.8
Avg. Mkt Cap. \$B	38.0

### Global Equity Sectors

	% Equity
Financials	45.7
Energy	21.6
Industrials	9.5
Utilities	4.6
Telecommunication Services	4.6
Consumer Staples	3.8
Materials	3.3
Real Estate	3.2
Consumer Discretionary	3.1
Health Care	0.6
Information Technology	0.1
Unclassified	0.0

## Performance Analysis as of September 30, 2017



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
3.1	2.9	2.2	9.7	4.9	9.6	5.2	10.5	Fund
586	586	566	557	426	321	156	—	Quartile
								No. of Funds in Category



# RBC Canadian Dividend 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.

#### Sean McCurley

##### RBC Global Asset Management Inc.

Sean McCurley is an Associate 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 Millman is an Associate 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 September 30, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.51	0.86	0.68	1.32	0.60	0.65	0.54	0.66	0.66	0.47	2.14
Interest	0.51	—	—	—	—	—	—	—	—	—	—
Dividends	—	0.86	0.68	0.60	0.60	0.55	0.54	0.66	0.66	0.47	0.21
Capital Gains	—	—	—	0.72	—	0.10	—	—	—	—	1.93
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	7-1997	51.3	3-1998	29.9	3-1998	21.1	3-2006	15.9
Worst	2-2009	-31.9	2-2009	-9.1	5-2012	-0.3	2-2016	4.5
Average		11.1		11.2		10.9		10.2
No. of Periods		285		261		237		177
Pct. Positive		78.9		91.6		99.6		100.0

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

### Quarterly Commentary as at September 30, 2017

The S&P/TSX Composite Index languished after hitting an all-time high in February 2017. During the latter part of the period, the index moved back into positive territory for the year, but remained below the aforementioned highs. The TSX had a strong Q3 and outperformed the S&P 500, but continues to lag year to date.

Numerous factors contributed to the Canadian market's underperformance this year, including continued weakness in the Energy sector, concerns about the composition of Canadian economic growth and rising interest rates. Market sentiment was also impacted by looming uncertainty regarding negotiations to rework NAFTA, and questions about Canada's competitiveness remain amid a backdrop of higher taxes, currency headwinds and higher labour costs.

Energy and Materials aided returns, while Industrials detracted. The price of crude oil increased over the quarter, on optimism that an

OPEC agreement to limit supply will have a palpable effect on the global supply glut. Overweight positioning and security selection helped returns in Energy, with Canadian Natural Resources being the top contributor. In Materials, avoiding Tahoe Resources boosted returns as one of the company's mining licenses was temporarily suspended. Conversely, security selection in Industrials weighed on returns, with Johnson Controls as the largest detractor.

Stocks continue to be supported by a global synchronized expansion and renewed corporate-profit growth around the world. While stocks are not as cheap as they were when the cycle began, they remain somewhat attractive relative to fixed income. Markets have benefited from rising earnings and price-to-earnings ratios through this bull market, but earnings rather than valuations may now be the force needed to propel the market higher.



# RBC Canadian Dividend 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 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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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](http://www.sedar.com).

MER (%) for RBC Funds, PH&N Funds and Bluebay Funds is based on actual expenses for the half-year period, January 1 to June 30, 2017, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full-year period, April 1, 2016 to March 31, 2017, expressed on an annualized basis.

Adjusted MER is provided for funds with management fee changes effective June 30, 2016. The Adjusted MER represents what the reported MER would have been had management fee changes been in effect throughout 2016.

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 September 30, 2017.

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