



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	18,876.0
Series A NAV \$	72.36
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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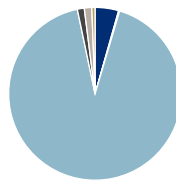
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Notes

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

Portfolio Analysis as of June 30, 2018

Asset Mix

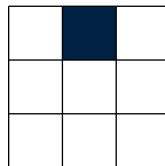


	% Assets
Cash	4.4
Fixed Income	0.2
Canadian Equity	92.1
US Equity	1.3
International Equity	1.4
Other	0.6

Top 25 Holdings

	% Assets
Royal Bank of Canada	7.6
The Toronto-Dominion Bank	7.5
Bank of Nova Scotia	6.1
Canadian National Railway Co	5.0
Enbridge Inc	4.4
Brookfield Asset Management Inc Class A	4.0
Bank of Montreal	3.6
TransCanada Corp	3.0
Canadian Natural Resources Ltd	2.9
Suncor Energy Inc	2.9
Manulife Financial Corp	2.8
CIBC	2.5
Canadian Pacific Railway Ltd	2.1
Loblaw Companies Ltd	1.9
TELUS Corp	1.8
Sun Life Financial Inc	1.6
Nutrien Ltd	1.5
Rogers Communications Inc Class B	1.5
Imperial Oil Ltd	1.5
Fairfax Financial Holdings Ltd	1.4
Power Corporation of Canada	1.3
Thomson Reuters Corp	1.3
Pembina Pipeline Corp	1.2
PrairieSky Royalty Ltd	1.2
BCE Inc	1.2
Total % of Top 25 Holdings	71.6
Total Number of Stock Holdings	77
Total Number of Bond Holdings	0
Total Number of Other Holdings	9
Total Number of Holdings	86

Equity Style



Value Blend Growth

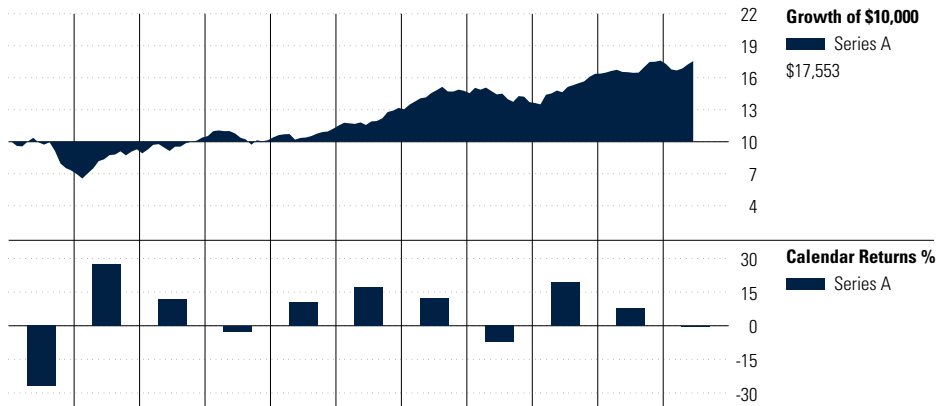
Equity Statistics

P/B Ratio	1.7
P/E Ratio	14.5
Avg. Mkt Cap. \$B	40.5

Global Equity Sectors

	% Equity
Financials	45.2
Energy	21.2
Industrials	9.4
Utilities	4.9
Telecommunication Services	4.7
Consumer Staples	4.4
Consumer Discretionary	3.6
Materials	3.3
Real Estate	2.4
Health Care	0.8
Unclassified	0.0
Information Technology	0.0

Performance Analysis as of June 30, 2018



Year	Calendar Returns %	Fund Quartile
2008	-27.0 2 nd	
2009	27.3 3 rd	
2010	11.9 3 rd	
2011	-2.5 3 rd	
2012	10.7 1 st	
2013	17.4 2 nd	
2014	12.1 1 st	
2015	-7.2 3 rd	
2016	19.4 2 nd	
2017	7.6 2 nd	
YTD	-0.3 2 nd	

Period	Trailing Return %	Fund Quartile	No. of Funds in Category
1 Mth	1.8 2 nd		564
3 Mth	5.2 1 st		555
6 Mth	-0.3 2 nd		552
1 Yr	6.3 2 nd		534
3 Yr	6.7 2 nd		413
5 Yr	8.7 2 nd		327
10 Yr	5.9 2 nd		167
Since Incep.	10.3 —		—



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 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, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.36	0.71	0.86	0.68	1.32	0.60	0.65	0.54	0.66	0.66	0.47
Interest	0.36	—	—	—	—	—	—	—	—	—	—
Dividends	—	0.71	0.86	0.68	0.60	0.60	0.55	0.54	0.66	0.66	0.47
Capital Gains	—	—	—	—	0.72	—	0.10	—	—	—	—
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	6-1998	19.8	3-2006	15.9
Worst	2-2009	-31.9	2-2009	-9.1	5-2012	-0.3	2-2016	4.5
Average		10.8		11.0		10.6		10.0
No. of Periods		289		265		241		181
Pct. Positive		79.2		91.7		99.6		100.0

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

Quarterly Commentary as at June 30, 2018

The Canadian stock market rebounded well in Q2, led by strength in the Energy sector. However, domestic economic growth slowed and concern about trade protectionism intensified as the period progressed, leading the Bank of Canada to take a more cautious approach toward raising interest rates. The combination of rising borrowing costs, a weaker housing market and uncertainty about the future of the North American Free Trade Agreement conspired to dampen Canadian growth.

The Fund had strong security selection in Q2, benefiting from an underweight in BCE Inc. as interest-rate-sensitive sectors, such as Telecommunication Services and Utilities, have underperformed this year amid higher bond yields. We also benefited from overweights in oil and gas companies, Imperial Oil Corp. and Canadian Natural Resources Inc., which have seen stock-price appreciation with rising crude prices.

Conversely, we were hurt by an underweight in Canadian technology, although it's a small sector in Canada. We didn't own top performer Constellation Software Inc., which has demonstrated its ability to rapidly compound capital through acquisitions.

Expanding valuations have been a significant source of gains for stocks during this long bull market, but sustained earnings growth will be critical to drive stocks higher from here. Expectations are for the positive trend in earnings to persist and our scenario analysis suggests a reasonable outcome is for stocks to deliver positive returns this year and next. We acknowledge, however, that any deterioration in the outlook for earnings would leave markets vulnerable to correction, given currently demanding valuations.



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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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 full year period, April 1, 2017 to March 31, 2018.

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 June 30, 2018.

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