



# RBC International Equity Fund

## Investment Objective

To provide long-term capital growth by investing primarily in equity securities of companies outside of North America. The fund provides exposure to economies that offer different business cycles and growth opportunities than North American markets.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF268
A	No Load	USD	RBF411
Adv	Deferred Sales	CAD	RBF862
Adv	Front End	CAD	RBF771
Adv	Low Load	CAD	RBF173
Adv	Low Load	USD	RBF4411
T5	No Load	CAD	RBF5268

Inception Date	January 1993
Total Fund Assets \$Mil	988.4
Series A NAV \$	20.37
Series A MER %	2.20
Series A Adjusted MER %	2.15
Benchmark	MSCI EAFE Total Return Net Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

Fund Category	International Equity
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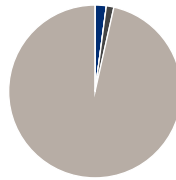
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

## Notes

Performance Analysis is in CAD and for CAD series A fund (RBF268).

## Portfolio Analysis as of June 30, 2017

### Asset Mix

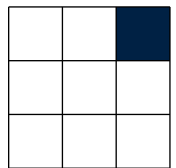


	% Assets
Cash	2.1
Fixed Income	0.0
Canadian Equity	0.0
US Equity	1.4
International Equity	96.5
Other	0.0

### Top 25 Holdings

	% Assets
Unilever PLC	3.3
Mitsubishi UFJ Financial Group Inc	2.8
Roche Holding AG Dividend Right Cert.	2.8
CSL Ltd	2.7
SoftBank Group Corp	2.7
RELX NV	2.5
Sampo Oyj A	2.3
Bayer AG	2.3
Novo Nordisk A/S B	2.2
Sysmex Corp	2.1
Sage Group (The) PLC	2.0
Ryanair Holdings PLC ADR	2.0
Tencent Holdings Ltd	2.0
LVMH Moët Hennessy Louis Vuitton SE	2.0
London Stock Exchange Group PLC	1.9
Henkel AG & Co KGaA Pfd Shs - Non-voting	1.9
Burberry Group PLC	1.9
Heineken NV	1.9
Japan Tobacco Inc	1.8
Diageo PLC	1.7
Bridgestone Corp	1.7
Sika AG Bearer Shs	1.7
Royal Dutch Shell PLC Class A	1.6
Taiwan Semiconductor Manufacturing	1.6
Yahoo Japan Corp	1.6
Total % of Top 25 Holdings	52.9
Total Number of Stock Holdings	74
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>75</b>

### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	3.0
P/E Ratio	19.2
Avg. Mkt Cap. \$B	41.8

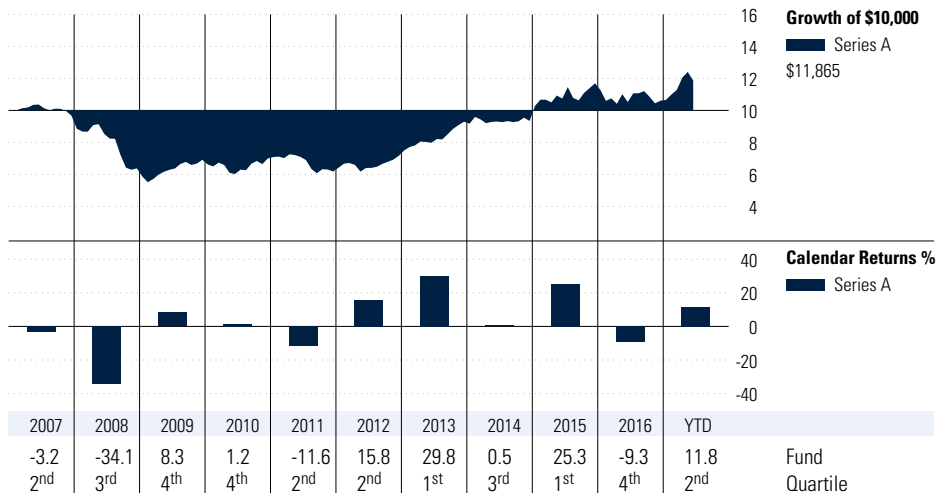
### Top 5 Sectors

	% Equity
Financials	16.8
Health Care	16.8
Consumer Staples	13.8
Industrials	13.6
Consumer Discretionary	13.4

### Geographic Allocations

	% Assets
United Kingdom	25.4
Japan	19.1
Germany	9.0
Switzerland	6.2
Australia	5.2

## Performance Analysis as of June 30, 2017



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
-4.3	5.2	11.8	12.7	8.4	13.1	1.4	4.1	Fund
4 <sup>th</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	4 <sup>th</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	—	Quartile
553	540	528	493	356	266	127	—	No. of Funds in Category



# RBC International Equity Fund

## Management Overview

### Manager Bios

#### Dominic Wallington

##### RBC Global Asset Management (UK) Limited

Dominic has worked in the investment industry since 1991 and has been a portfolio manager since 1993. Prior to joining RBC Global Asset Management (UK) Limited, he worked for Invesco Perpetual. Between 2002 and July 2007, Dominic ran several Continental European equity funds for individual investors and institutions. He has a Masters in Finance and Investment from the University of Exeter. Dominic also holds the Securities Institute Diploma and is a Fellow of the Securities Institute.

#### David Lambert

##### RBC Global Asset Management (UK) Limited

David is a Portfolio Manager with the European Equity team of RBC Global Asset Management (UK) Limited. He is part of a veteran team that strives to identify superior investment opportunities while minimizing risks. David began his career with the firm in 1999 as a Quantitative Analyst and became a Portfolio Manager in 2003. He graduated from Loughborough University with a First Class BSc (Hons) degree in Mathematics and is an Associate of the UK Society of Investment Professionals (CFA UK).

#### Mayur Nallamala

##### RBC Investment Management (Asia) Limited

Mayur Nallamala is Senior Portfolio Manager and the Head of Asian Equities. He has been in the investment industry since 1998, and prior to joining the firm in 2013 was a portfolio manager at JP Morgan Asset Management in Hong Kong. He was responsible for Asia Pacific ex-Japan mandates managing assets on behalf of sovereign wealth, institutional and retail clients around the world. He spent his early career at Chase Futures & Options in London and at ABN AMRO in Hong Kong. Mayur holds a Bachelor of Science from the London School of Economics.

### Performance Analysis Cont'd as of June 30, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	—	—	0.01	—	0.03	0.10	0.07	0.07	0.14	0.16	0.01
Interest	—	—	0.01	—	0.03	0.10	0.07	0.07	0.14	0.16	0.01
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	1-1994	41.5	7-2015	21.4	5-2017	15.0	7-2015	3.5
Worst	11-2008	-36.8	3-2003	-20.5	5-2012	-9.8	6-2010	-5.9
Average		4.6		4.2		3.2		0.8
No. of Periods		282		258		234		174
Pct. Positive		68.8		66.3		54.7		68.4

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

### Quarterly Commentary as at June 30, 2017

Security selection was the main driver of outperformance as asset allocation was flat.

From an asset allocation perspective, our overweight position in Information Technology was the biggest contributor. In contrast, the underweight position in Financials detracted from relative performance.

At the security selection level, our holdings in the Financials and Industrials sectors contributed the most to relative performance. The largest contributor was our overweight position in Irish budget airline, Ryanair. The second largest contributor was our off benchmark position in Tencent. The most significant detractor was a zero position in Nestlé.

Asian markets have generated strong returns given a positive economic and political backdrop, with Indonesia receiving a ratings upgrade from S&P, a

new president elected in South Korea and China easing monetary conditions by injecting liquidity into the system. Further, solid economic data in the U.S. and the fading concerns of a detrimental trade policy from the Trump administration should continue to boost investor sentiment in Asia.

European Equities delivered positive returns during Q2 although these were muted by a negative June. One interpretation of June's market movement is that it is the beginning of the second wave of a value rally. The other is that the dip in the last week of June was a sympathy move with bond markets. The economic backdrop in the Eurozone, nevertheless, remains robust with broad-based growth. In contrast, economic figures reported from the UK showed a potential slowdown as the manufacturing, services and construction sectors stalled due to increasing business uncertainty.



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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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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 and PH&N Funds is based on actual expenses for the full-year period, January 1 to December 31, 2016, 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 April 30, 2017.

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