



# RBC Life Science and Technology Fund

## Investment Objective

To provide long-term capital growth by investing primarily in equity securities of U.S. companies whose businesses relate to life sciences and technology and are expected to benefit from scientific and technological advances.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF274

Inception Date	July 1995
Total Fund Assets \$Mil	220.4
Series A NAV \$	15.65
Series A MER %	2.15
Series A Adjusted MER %	2.09
Benchmark	50% S&P 500 Health Care 50% S&P 500 Info Tech (measured in C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

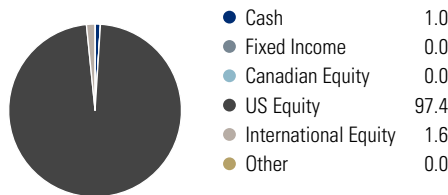
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

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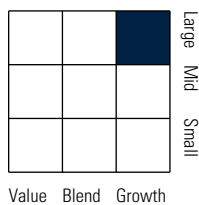
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

## Portfolio Analysis as of June 30, 2017

### Asset Mix



### Equity Style



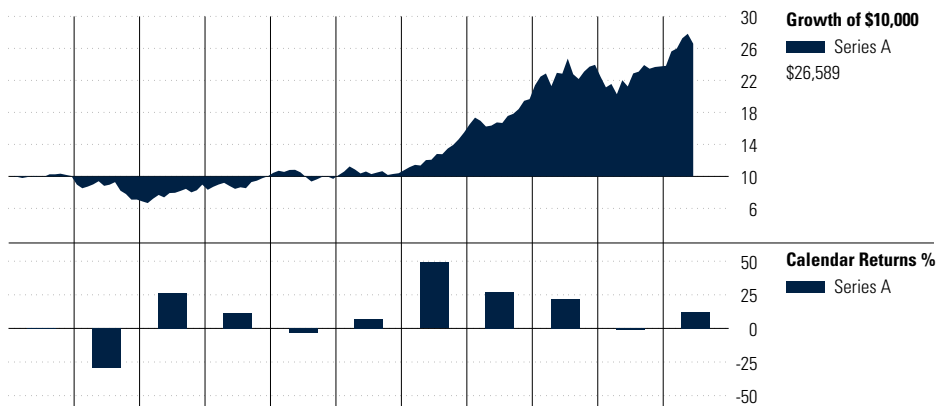
### Global Equity Sectors

Sector	% Equity
Information Technology	65.3
Health Care	34.7
Telecommunication Services	0.1
Energy	0.0
Materials	0.0
Industrials	0.0
Consumer Discretionary	0.0
Consumer Staples	0.0
Financials	0.0
Utilities	0.0
Real Estate	0.0
Unclassified	0.0

### Top 25 Holdings

Company	% Assets
Apple Inc	10.0
Alphabet Inc A	7.6
Microsoft Corp	7.4
Facebook Inc A	5.1
Johnson & Johnson	3.9
Pfizer Inc	2.7
UnitedHealth Group Inc	2.6
Visa Inc Class A	2.6
Oracle Corp	2.3
Cisco Systems Inc	2.2
Merck & Co Inc	1.9
Mastercard Inc A	1.8
Intel Corp	1.7
Amgen Inc	1.6
Broadcom Ltd	1.6
Celgene Corp	1.6
Bristol-Myers Squibb Company	1.3
Adobe Systems Inc	1.3
Accenture PLC A	1.3
International Business Machines Corp	1.2
Texas Instruments Inc	1.2
Eli Lilly and Co	1.2
Medtronic PLC	1.2
AbbVie Inc	1.1
Salesforce.com Inc	1.1
Total % of Top 25 Holdings	67.5
Total Number of Stock Holdings	113
Total Number of Bond Holdings	0
Total Number of Other Holdings	3
<b>Total Number of Holdings</b>	<b>116</b>

## Performance Analysis as of June 30, 2017



Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	YTD	Fund Quartile
Return %	0.5	-29.3	26.3	11.6	-3.1	7.2	49.1	26.9	21.8	-0.8	12.0	1st
Rank	1st	3rd	1st	2nd	3rd	4th	1st	1st	1st	4th	1st	

Period	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Return %	-4.5	2.3	12.0	25.2	16.7	20.2	10.2	5.2	Fund
Rank	4th	2nd	1st	1st	1st	1st	1st	—	Quartile
No. of Funds in Category	1396	1362	1334	1259	871	482	213	—	



# RBC Life Science and Technology Fund

## Management Overview

### Manager Bios

#### 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.

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

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

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2000	138.3	2-2000	48.4	8-2000	34.7	5-2017	10.7
Worst	9-2001	-61.9	2-2003	-37.9	8-2005	-23.8	8-2010	-14.1
Average		8.4		7.8		5.2		1.3
No. of Periods		252		228		204		144
Pct. Positive		64.7		57.0		49.0		46.5

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

### Quarterly Commentary as at June 30, 2017

We continue to witness synchronized global growth, with the economy in the U.S. driving forward. During the year, the Information Technology sector plus Amazon and Netflix (Consumer Discretionary stocks), has generated roughly two-thirds of the S&P 500's gain. The narrowing of market breadth is consistent with the later stages of a market cycle.

Health Care led the S&P 500 during the previous quarter and has been a top performer all year thus far, as concerns surrounding health care reform have subsided. The future changes are also likely to be less drastic than imagined following the U.S. election.

Security selection in the Information Technology sector was a driver for Q2 performance. A position in the Canadian e-commerce company, Shopify, boosted returns. Product and vision are their key differentiators in a crowded space, in which they develop computer software for online stores and offer point-of-sale systems. Internet software & services was a strong area for the Fund overall.

Immediately following Trump's election win, small-cap and value stocks soared, as markets priced in better growth and inflation from large-scale tax cuts, deregulation and increased government spending. However, since the beginning of the year, the gains that had accrued to value stocks relative to large caps have been wiped out. The reversal in styles doesn't necessarily mean we will see a recession or a bear market, but it does signal that investors are no longer expecting the significant boost in growth and inflation that was initially anticipated.

While market valuations are at above-average levels, corporate fundamentals are supporting the market. The economic uptick that took root in the summer of 2016 has continued to bloom and a synchronized global economic expansion is at hand. That said, the initial acceleration phase has arguably come to an end and, as a result, risk assets are still rising, but with less vim than at the turn of the year.



# RBC Life Science and Technology 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 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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