RBC Global Asset Management

# RBC QUBE Low Volatility Canadian Equity Class

## Investment objective

To provide long-term capital growth. The fund invests primarily in equity securities of Canadian companies either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate. The fund uses a quantitative investment approach and seeks to achieve a reduced level of volatility of returns as compared to the broader Canadian equity market.

## Fund details

| Series | Load structure | Currency | Fund code |
|---|---|---|---|
| A | No load | CAD | RBF3025 |

| | |
|---|---|
| **Inception date** | January 2015 |
| **Total fund assets $MM** | 15.2 |
| **Series A NAV $** | 12.70 |
| **Series A MER %** | 1.88 |

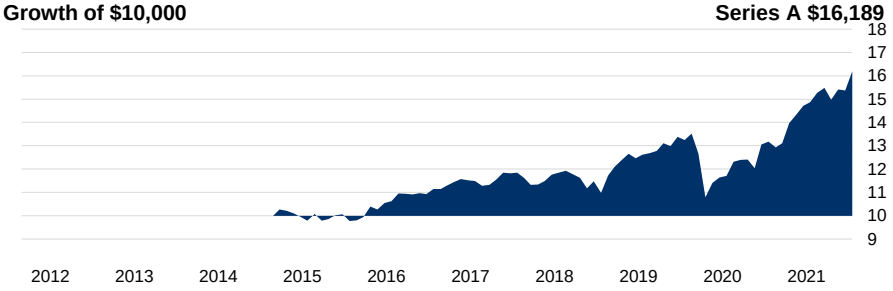
| | |
|---|---|
| **Income distribution** | Annually |
| **Capital gains distribution** | Annually |
| **Sales status** | Open |
| **Minimum investment $** | 500 |
| **Subsequent investment $** | 25 |
| **Risk rating** | Low to medium |
| **Fund category** | Canadian Equity |

**Benchmark**

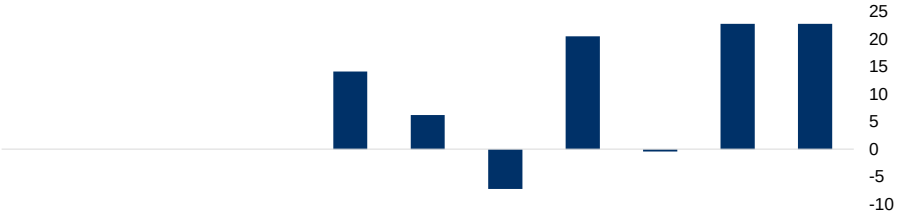
100% S&P/TSX Capped Composite Total Return Index

## Performance analysis for Series A as of December 31, 2021

**Growth of $10,000** **Series A $16,189**




**Calendar returns %**




| 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | YTD | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| — | — | — | — | 14.1 | 6.2 | -7.2 | 20.5 | -0.4 | 22.8 | 22.8 | Fund |
| — | — | — | — | 3rd | 3rd | 1st | 2nd | 3rd | 3rd | 3rd | Quartile |

| 1 Mth | 3 Mth | 6 Mth | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Since incep. | Trailing return % |
|---|---|---|---|---|---|---|---|---|
| 5.3 | 8.1 | 8.9 | 22.8 | 13.8 | 7.7 | — | 7.2 | Fund |
| 1st | 1st | 1st | 3rd | 3rd | 3rd | — | — | Quartile |
| 662 | 654 | 628 | 610 | 550 | 471 | — | — | # of funds in category |

## Portfolio analysis as of December 31, 2021

**Asset mix**

| | % Assets |
|---|---|
| Cash | 0.3 |
| Fixed income | 0.0 |
| Canadian equities | 99.7 |
| U.S. equities | 0.0 |
| European equities | 0.0 |
| Asia-Pacific equities | 0.0 |
| Emerging markets equities | 0.0 |

**Equity style**

| | Value | Blend | Growth |
|---|---|---|---|
| Large | 29 | 18 | 26 |
| Mid | 11 | 12 | 1 |
| Small | 1 | 3 | 0 |

Weight %
- > 50
- 25-50
- 10-25
- 0-10

**Equity characteristics**

| | |
|---|---|
| Dividend yield (%) | 2.3 |
| Price to earnings ratio (forward) | 15.6 |
| Price to book ratio | 2.2 |
| Weighted average market capitalization ($Bn) | 50.5 |

## **Portfolio analysis continued** as of December 31, 2021

| Top 25 holdings | % Assets |
|---|---|
| Royal Bank of Canada | 5.0 |
| Toronto-Dominion Bank | 5.0 |
| Bank of Montreal | 4.9 |
| Alimentation Couche-Tard Inc | 4.2 |
| Constellation Software Inc/Canada | 4.1 |
| BCE Inc | 3.9 |
| Dollarama Inc | 3.9 |
| TELUS Corp | 3.9 |
| Fortis Inc/Canada | 3.9 |
| Metro Inc/CN | 3.9 |
| Thomson Reuters Corp | 3.8 |
| Sun Life Financial Inc | 3.3 |
| Waste Connections Inc | 3.2 |
| Canadian Imperial Bank of Commerce | 3.0 |
| Bank of Nova Scotia | 3.0 |
| Stantec Inc | 2.9 |
| WSP Global Inc | 2.7 |
| George Weston Ltd | 2.6 |
| TMX Group Ltd | 2.5 |
| Toromont Industries Ltd | 2.0 |
| Canadian Apartment Properties REIT | 1.8 |
| Saputo Inc | 1.7 |
| First Capital Real Estate Investment Trust | 1.7 |
| B2Gold Corp | 1.7 |
| Yamana Gold Inc | 1.6 |
| Total % of top 25 holdings | 80.3 |
| **Total number of stock holdings** | **64** |

| Equity sector allocation | % |
|---|---|
| Financials | 29.5 |
| Industrials | 16.3 |
| Consumer Staples | 14.9 |
| Communication Services | 11.0 |
| Materials | 8.3 |
| Utilities | 5.6 |
| Real Estate | 4.9 |
| Information Technology | 4.8 |
| Consumer Discretionary | 4.5 |
| Energy | 0.2 |
| Health Care | 0.0 |

| Distributions ($)/unit* | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Interest | — | — | — | — | — | — | — | — | — | — | — |
| Canadian dividends | — | 0.34 | 0.24 | 0.29 | 0.17 | — | — | — | — | — | — |
| Foreign dividends | — | — | — | — | — | — | — | — | — | — | — |
| Foreign taxes paid | — | — | — | — | — | — | — | — | — | — | — |
| Capital gains | — | 0.92 | 0.01 | — | — | — | — | — | — | — | — |
| Return of capital | — | — | — | — | — | — | — | — | — | — | — |
| **Total distributions** | **0.50** | **1.27** | **0.25** | **0.29** | **0.17** | **—** | **—** | **—** | **—** | **—** | **—** |

*Income type characterization and foreign taxes paid for the previous year, are reported at or around January month-end. Distributions reported are for the same series as the performance analysis. For distributions on other series please visit rbcgam.com/funds.

## Manager bios

**Oliver McMahon, RBC Global Asset Management Inc.**

Oliver is Senior Portfolio Manager, specializing in the management of quantitative equity mandates at RBC GAM. Prior to joining the firm in 2012, Oliver headed the product management team for the Canadian arm of one of the world's largest investment management firms and before that was a senior member of that same firm's quantitative investments team. Oliver holds a BSc (Hons) from the University of East London and became a CFA charterholder in 2003.

**Norman So, RBC Global Asset Management Inc.**

Norman is a Senior Portfolio Manager on the Quantitative Investments Team at RBC GAM. Norman's focus is on researching, designing, and managing investment solutions that are rooted in quantitative discipline. Prior to joining the team in 2004, he facilitated the development of quantitative resources for research initiatives within the Quantitative Research Group (QRG) at PH&N Investment Management. Norman became a CFA charterholder in 2007.

## Disclosure

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MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the preceding calendar year or most recent half-year period ended June 30 expressed on an annualized basis, depending on availability of data at the time of publication.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the preceding full year period ended March 31 or half-year period ended September 30 expressed on an annualized basis, depending on availability of data at the time of publication.

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. Advisor Series units with the deferred sales charge option are capped and invested based on their existing redemption schedule.

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.

Growth of $10K chart shown represents a hypothetical investment of the Fund over the last 10 years, or from the last day of the since inception month for funds with less than 10 years performance history.

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Quartile rankings and Equity style box information are determined by Morningstar Research Inc., an independent research firm. Quartile rankings are comparisons of the performance of a fund to other funds in the applicable Fund 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). Morningstar information contained herein is proprietary to Morningstar and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. © 2022 Morningstar Research Inc.

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