



# RBC Conservative Growth & Income Fund

## Investment Objective

To provide a combination of capital growth and modest income. The fund invests primarily in a diversified portfolio of income-producing equity and fixed-income securities from anywhere around the world either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate of RBC GAM.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF401
A	No Load	USD	RBF404
Adv	Front End	CAD	RBF6401
Adv	Low Load	CAD	RBF4401
Adv	Low Load	USD	RBF4404
Adv T5	Front End	CAD	RBF6521
Adv T5	Low Load	CAD	RBF4521
T5	No Load	CAD	RBF521

Inception Date	January 2015
Total Fund Assets \$Mil	138.9
Series A NAV \$	9.98
Series A MER %	1.69
Benchmark	79% FTSE TMX Canada Universe Bond Index; 9% S&P/TSX Capped Composite Total Return Index; 6% S&P500 Total Return Index (CDN\$); 3% MSCI Emerging Markets (Net) Index (CDN\$); 2% MSCI Europe (Net) Index (CDN\$); 1% FTSE TMX Canada 30 Day T-Bill Index;

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

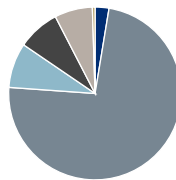
Fund Category	Global Fixed Income Balanced
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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## Portfolio Analysis as of September 30, 2017

### Asset Mix

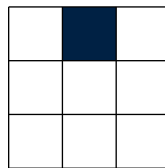


	% Assets
Cash	2.6
Fixed Income	73.6
Canadian Equity	8.4
US Equity	7.9
International Equity	7.1
Other	0.5

### Top 25 Holdings

	% Assets
PH&N Total Return Bond Fund	26.4
RBC Bond Fund	26.4
RBC Canadian Equity Income Fund	9.8
RBC Global Corporate Bond Fund	9.1
RBC US Dividend Fund	7.1
RBC Global High Yield Bond Fund	7.0
BlueBay Global Monthly Income Bond Fund	6.9
RBC European Dividend Fund	3.5
RBC Emerging Markets Dividend Fund	3.4
<b>Total % of Top 25 Holdings</b>	<b>99.6</b>
<b>Total Number of Portfolio Holdings</b>	<b>10</b>
<b>Total Number of Stock Holdings</b>	<b>566</b>
<b>Total Number of Bond Holdings</b>	<b>5,274</b>
<b>Total Number of Other Holdings</b>	<b>194</b>
<b>Total Number of Underlying Holdings</b>	<b>6,034</b>

### Equity Style



Value Blend Growth

### Statistics

P/B Ratio	2.0
P/E Ratio	15.4
Avg. Mkt Cap. \$B	42.1

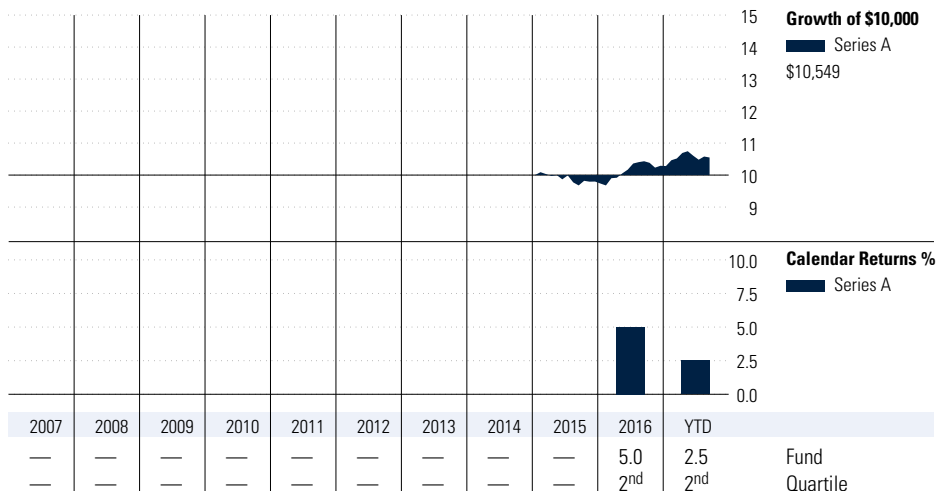
### Top 5 Sectors

	% Equity
Financials	25.5
Energy	13.5
Information Technology	11.3
Industrials	8.3
Materials	7.1

### Fixed Income Breakdown

	%	Characteristics	%
Govt. Bonds	37.6	Avg. Term to maturity (Yrs)	9.6
Corp. Bonds	35.4	Modified Duration (Yrs)	6.9
Other Bonds	0.8	Yield to Maturity	3.2
MBS	0.1		
Cash & Other	2.3		
ABS	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 %
	-0.3	-0.5	0.3	1.1	—	—	—	2.2	Fund
	4 <sup>th</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	—	—	—	—	Quartile
	520	519	488	450	246	185	65	—	No. of Funds in Category



# RBC Conservative Growth & Income Fund

## Management Overview

### Manager Bios

#### Sarah Riopelle

#### RBC Global Asset Management Inc.

Sarah Riopelle is Vice President and Senior Portfolio Manager, Investment Solutions. Sarah began her investment career in 1996. She is a member of the RBC Investment Strategy Committee and is responsible for the firm's Portfolio Solutions. Sarah has a Bachelor of Commerce in Finance and International Management from the University of Ottawa 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	0.10	0.21	0.28	—	—	—	—	—	—	—	—
Interest	0.10	0.18	0.17	—	—	—	—	—	—	—	—
Dividends	—	0.02	0.02	—	—	—	—	—	—	—	—
Capital Gains	—	0.01	0.10	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2017	8.1	—	—	—	—	—	—
Worst	2-2016	-4.1	—	—	—	—	—	—
Average		3.4		—		—		—
No. of Periods		21		—		—		—
Pct. Positive		81.0		—		—		—

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

### Quarterly Commentary as at September 30, 2017

The global acceleration in economic growth that began last year has been largely sustained. The need for extreme monetary stimulus is fading and central banks including the U.S. Federal Reserve and the Bank of Canada (BoC) are gradually shifting toward tighter policy.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Returns on global government bonds were low to slightly negative during the period. Canadian bonds underperformed after the BoC boosted short-term interest rates given faster-than-expected economic growth. Returns were negatively affected by investments in the RBC Bond Fund and the Phillips, Hager & North Total Return Bond Fund. However, the RBC Global High Yield Bond Fund positively affected performance.

Global equities posted gains, led by emerging-market and Canadian equities, as prices for oil and

other commodities strengthened. The S&P 500 finished the period at a record high, but a weaker U.S. dollar offset most of the returns when translated back into Canadian dollars. The Fund's returns benefited from allocations to the RBC Canadian Equity Income Fund and the RBC Emerging Markets Dividend Fund.

Our models continue to suggest the long-term direction for bond yields is higher, which would weigh on total returns for bond holders. Prospective returns for equities are much better than for fixed income, but the valuation tailwind from falling interest rates may be exhausted so earnings growth is now critical for the continuity of the bull market. The Fund has been dialing back the risk exposure in the asset mix as the business cycle matures, trimming the equity-overweight allocation and splitting the proceeds between cash and fixed income.



# RBC Conservative Growth & Income 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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