



RBC Emerging Markets Foreign Exchange Fund

Investment Objective

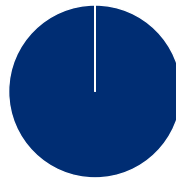
To provide total returns associated with those of emerging market currencies and short-term interest rates and to provide total returns comprised of income and modest capital growth. The fund invests primarily in short-term Canadian money market instruments and foreign exchange forward contracts on emerging market currencies.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF406
Inception Date		July 2015	
Total Fund Assets \$Mil		765.4	
Series A NAV \$		9.35	
Series A MER %		1.67	
Benchmark		JP Morgan Emerging Local Markets Index (ELMI+) (CAD)	
Income Distribution		Quarterly	
Capital Gains Distribution		Annually	
Sales Status		Open	
Min. Investment \$		500	
Subsequent Investment \$		25	
Fund Category		Global Fixed Income	
Management Company		RBC Global Asset Management Inc.	
Web Site		www.rbcgam.com	

Portfolio Analysis as of December 31, 2017

Asset Mix



	% Assets
Cash	100.0
Fixed Income	0.0
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

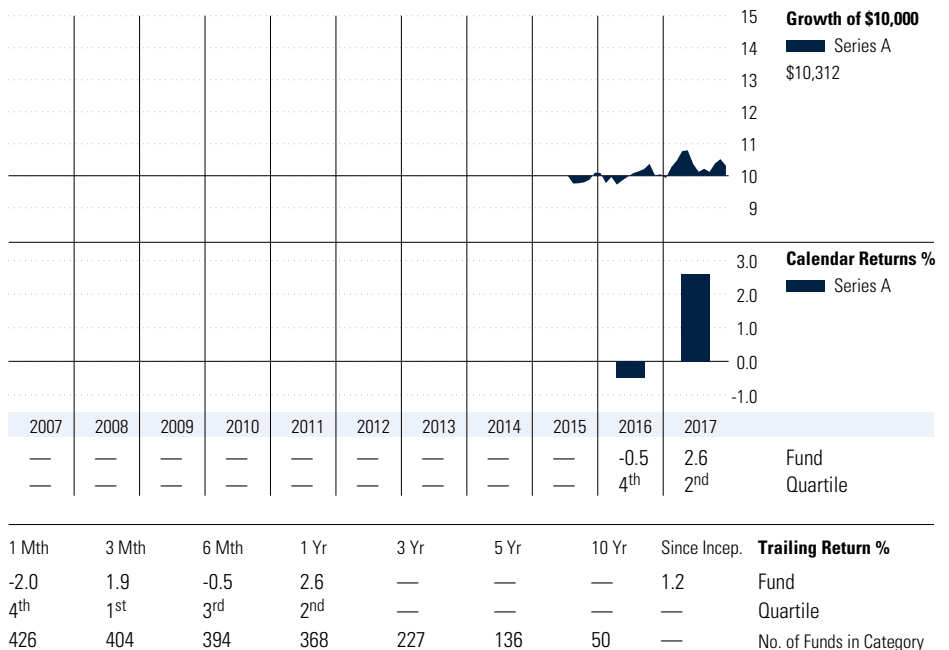
Top 25 Holdings

	% Assets
China	10.1
Mexico	9.2
South Korea	9.1
India	8.7
Russia	6.9
Singapore	6.5
Brazil	5.6
Turkey	5.0
Poland	4.3
Taiwan	4.0
Thailand	3.8
Czech Rep.	3.6
Malaysia	3.5
Indonesia	3.4
Hungary	2.3
Philippines	2.0
Argentina	2.0
Peru	2.0
Romania	1.5
Chile	1.5
Israel	1.5
U.S.	1.4
Colombia	1.1
Canada	0.9
South Africa	0.4
Total % of Top 25 Holdings	100.3
Total Number of Other Holdings	24
Total Number of Holdings	24

Geographic Allocations

	% Assets
Asia	51.1
Eastern Europe, Middle East & Africa	25.4
Latin America	21.3
Canada & US	2.2

Performance Analysis as of December 31, 2017





RBC Emerging Markets Foreign Exchange Fund

Management Overview

Manager Bios

Dagmara Fijalkowski

RBC Global Asset Management Inc.

As Head of Global Fixed Income and Currencies, Dagmara leads investment teams in Toronto, London and Minneapolis in charge of almost \$100 billion in fixed income assets. She heads management of several bond funds and manages foreign-exchange hedging and active currency overlay programs across a number of funds. Dagmara, who began her investment career in 1994, holds an MBA from the Richard Ivey School of Business, a Master's degree in economics from the University of Lodz in Poland and is a CFA charterholder.

Performance Analysis Cont'd as of December 31, 2017

Distributions (\$)/Unit	2017*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.33	0.26	0.35	—	—	—	—	—	—	—	—
Interest	0.33	0.26	0.35	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	4-2017	10.8	—	—	—	—	—	—
Worst	1-2017	-1.6	—	—	—	—	—	—
Average		3.2		—		—		—
No. of Periods		18		—		—		—
Pct. Positive		83.3		—		—		—

* Final distribution attribution (interest, dividends, capital gains and return of capital) for 2017 will be reflected with January month-end profiles.

Quarterly Commentary as at December 31, 2017

The quarter was characterized by continued investor appetite for emerging market assets, helped by improving global economic growth, low volatility and still-accommodative monetary policy in the developed world. Some currencies, such as those of Eastern Europe, have been supported by rising exports to Germany; while others (South Africa, Chile) have benefitted from lessened political risk after more market-friendly candidates were elected.

The Fund was positioned less heavily in Asia than its benchmark, a strategy that weighed on performance as those countries experienced stronger exports and improving economic data. Looking forward, focus will likely shift toward a

heavy docket of elections, particularly in Latin America. A more restrictive liquidity environment, amid tightening by several of the world's major central banks, may also precipitate larger currency fluctuations. We are mindful that improving economic growth can continue to support emerging market currencies in the year ahead, but are wary of high levels of investor complacency. In the coming quarter, higher costs of borrowing and higher volatility are likely to punish currencies of nations with large fiscal and trade deficits. We continue to favour currencies with stable funding dynamics, attractive growth profiles and positive reform momentum.



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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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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 half-year period, April 1, to September 30, 2017, expressed on an annualized basis.

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 December 31, 2017.

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