



RBC European Mid-Cap Equity Fund

Investment Objective

To provide long-term capital growth. The fund invests primarily in equity securities of European mid-cap companies. The fund provides exposure to growth opportunities in the European economy and diversification benefits beyond North America.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF426
Adv	Front End	CAD	RBF6426
Adv	Low Load	CAD	RBF4426

Inception Date	September 2016
Total Fund Assets \$Mil	16.6
Series A NAV \$	11.64
Series A MER %	2.18
Benchmark	MSCI Europe Mid Cap Total Return Net Index (CAD)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

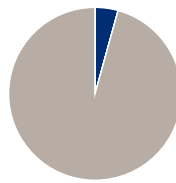
Fund Category	European Equity
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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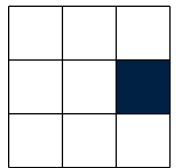
Portfolio Analysis as of March 31, 2018

Asset Mix



	% Assets
Cash	4.3
Fixed Income	0.0
Canadian Equity	0.0
US Equity	0.0
International Equity	95.7
Other	0.0

Equity Style



Value Blend Growth

Equity Statistics

P/B Ratio	2.3
P/E Ratio	17.5
Avg. Mkt Cap. \$B	7.7

Top 5 Sectors

	% Equity
Industrials	29.3
Consumer Discretionary	15.0
Financials	15.0
Materials	12.7
Health Care	8.6

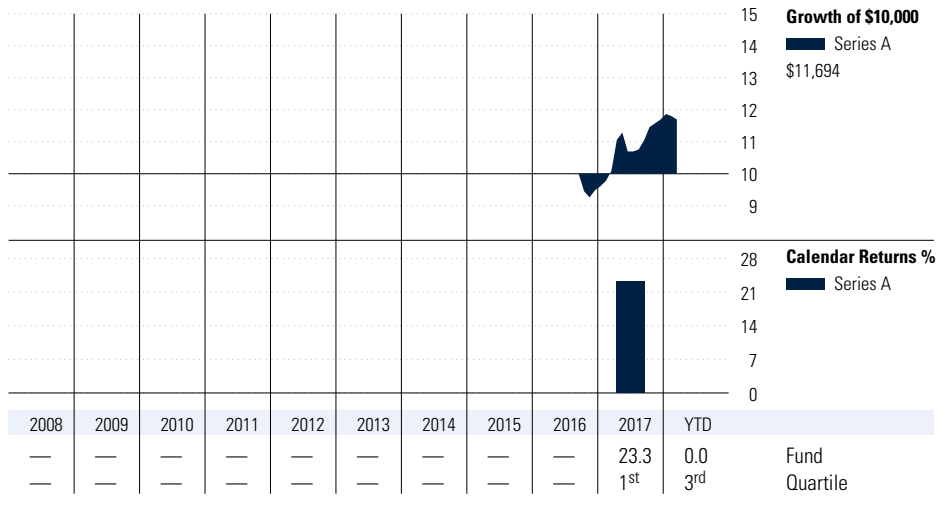
Geographic Allocations

	% Assets
United Kingdom	42.0
Denmark	10.2
Switzerland	9.5
Germany	6.2
Ireland	5.1

Top 25 Holdings

	% Assets
Paddy Power Betfair PLC	3.2
VAT Group AG	2.8
Ryanair Holdings PLC ADR	2.8
London Stock Exchange Group PLC	2.6
Pandora A/S	2.6
InterContinental Hotels Group PLC	2.5
Moncler SpA	2.4
Red Electrica Corporacion SA	2.4
Ashtead Group PLC	2.3
Playtech PLC	2.3
Cranswick PLC	2.2
Chr. Hansen Holding A/S	2.2
Topdanmark A/S	2.2
Essilor International SA	2.2
Kerry Group PLC Class A	2.2
Howden Joinery Group PLC	2.1
Virgin Money Holdings (UK) PLC	2.1
Stabilus SA	2.1
Ibstock PLC	2.0
Fevertree Drinks PLC	2.0
Hays PLC	2.0
Sika AG Bearer Shs	1.9
Symrise AG	1.9
Recordati	1.8
DCC PLC	1.8
Total % of Top 25 Holdings	56.4
Total Number of Stock Holdings	54
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	55

Performance Analysis as of March 31, 2018



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	-0.9	0.0	5.9	15.9	—	—	—	10.6	Fund
	4 th	3 rd	1 st	1 st	—	—	—	—	Quartile
	178	178	177	171	117	77	51	—	No. of Funds in Category



RBC European Mid-Cap Equity Fund

Management Overview

Manager Bios

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).

Performance Analysis Cont'd as of March 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
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	11-2017	25.0	—	—	—	—	—	—
Worst	9-2017	10.4	—	—	—	—	—	—
Average		20.0		—		—		—
No. of Periods		7		—		—		—
Pct. Positive		100.0		—		—		—

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

Quarterly Commentary as at March 31, 2018

European equities fell during the quarter as volatility returned to markets after strong performance in 2017.

Markets around the globe felt the effects of a rise in protectionist policies, resulting in fears of a trade war emanating from the United States. This was accompanied by signs of a slowdown in European economic growth. The positive economic growth predicted for 2018 has not materialized so far, resulting in a reversal of the cyclical stock momentum as investors revert to more defensive sectors.

The Italian elections in early March yielded no clear victor as the Five Star Movement became the single largest party with 32% of the vote. The Lega Nord party eclipsed Silvio Berlusconi's Forza Italia by winning 17% of the vote, leaving the country to form a coalition government.

The best-performing stocks in the portfolio were the luxury clothes maker, Moncler SpA, and Irish airline, Ryanair DAC while software company, Micro Focus International plc, and Irish bookmaker, Paddy Power Betfair plc, were the largest drags on performance.

Significant competing headwinds and tailwinds remain as valuation polarization and political instability compete with positive earnings per share and GDP forecasts, although these tend to be lagging indicators. Question marks remain over the final composition of the Italian government and the ability of French President Macron to push through his labour reforms. Nevertheless, our focus remains on the discipline of long-term investing in companies with strong competitive positions, low capital intensity, sustainable and/or improving profitability as well as the right management strategy and governance structures.



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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 full year period, January 1 to December 31, 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 March 31, 2018.

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