



# RBC Global Precious Metals Fund

## Investment Objective

To provide long-term capital growth by investing primarily in equity securities of companies throughout the world involved directly or indirectly in the exploration, mining and production of precious metals (gold, silver and platinum) and in bullion, coins, receipts and certificates.

## Fund Details

| Series | Load Structure | Currency | Fund Code |
|--------|----------------|----------|-----------|
| A      | No Load        | CAD      | RBF468    |
| Adv    | Deferred Sales | CAD      | RBF865    |
| Adv    | Front End      | CAD      | RBF774    |
| Adv    | Low Load       | CAD      | RBF178    |

|                         |                           |
|-------------------------|---------------------------|
| Inception Date          | October 1988              |
| Total Fund Assets \$Mil | 501.7                     |
| Series A NAV \$         | 32.07                     |
| Series A MER %          | 2.13                      |
| Benchmark               | S&P/TSX Global Gold Index |

|                            |          |
|----------------------------|----------|
| Income Distribution        | Annually |
| Capital Gains Distribution | Annually |

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

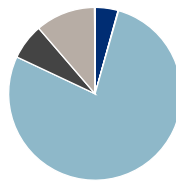
|               |                        |
|---------------|------------------------|
| Fund Category | Precious Metals Equity |
|---------------|------------------------|

|                    |                                  |
|--------------------|----------------------------------|
| Management Company | RBC Global Asset Management Inc. |
|--------------------|----------------------------------|

|          |                |
|----------|----------------|
| Web Site | www.rbcgam.com |
|----------|----------------|

## Portfolio Analysis as of June 30, 2018

### Asset Mix



|                      | % Assets |
|----------------------|----------|
| Cash                 | 4.3      |
| Fixed Income         | 0.1      |
| Canadian Equity      | 77.6     |
| US Equity            | 6.7      |
| International Equity | 11.2     |
| Other                | 0.1      |

### Equity Style



Value Blend Growth

### Equity Statistics

|                   |      |
|-------------------|------|
| P/B Ratio         | 1.5  |
| P/E Ratio         | 18.5 |
| Avg. Mkt Cap. \$B | 2.0  |

### Top 5 Sectors

|                        | % Equity |
|------------------------|----------|
| Materials              | 99.9     |
| Energy                 | 0.1      |
| Industrials            | 0.0      |
| Consumer Discretionary | 0.0      |
| Consumer Staples       | 0.0      |

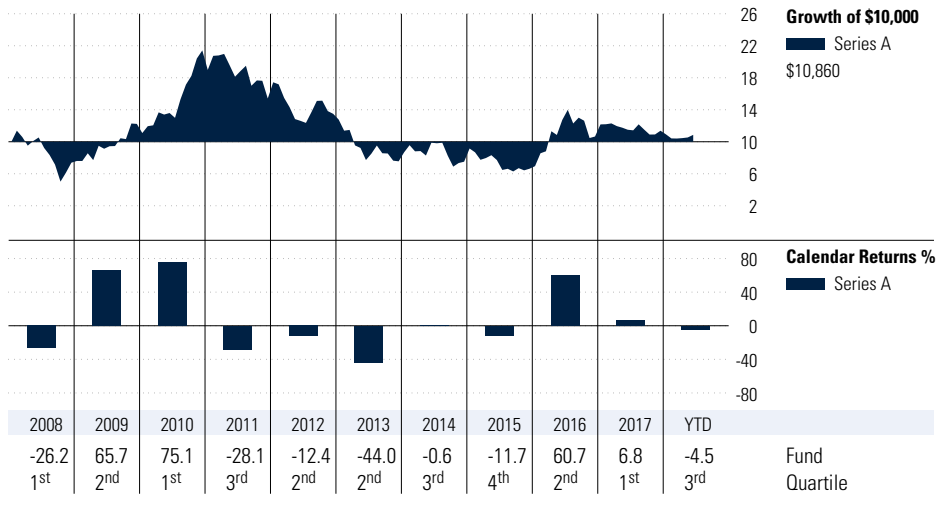
### Geographic Allocations

|               | % Assets |
|---------------|----------|
| Canada        | 81.9     |
| Côte D'Ivoire | 7.6      |
| United States | 7.0      |
| Australia     | 2.0      |
| Peru          | 1.4      |

### Top 25 Holdings

|                                       | % Assets    |
|---------------------------------------|-------------|
| Kirkland Lake Gold Ltd                | 10.7        |
| Agnico Eagle Mines Ltd                | 9.4         |
| Endeavour Mining Corp                 | 7.2         |
| Newmont Mining Corp                   | 6.7         |
| Alamos Gold Inc                       | 5.6         |
| B2Gold Corp                           | 5.2         |
| Wesdome Gold Mines Ltd                | 4.3         |
| Kinross Gold Corp                     | 3.7         |
| Iamgold Corp                          | 3.4         |
| OceanaGold Corp                       | 3.3         |
| Detour Gold Corp                      | 3.3         |
| Goldcorp Inc                          | 3.2         |
| MAG Silver Corp                       | 2.8         |
| Torex Gold Resources Inc              | 2.2         |
| Semafo Inc                            | 1.8         |
| Continental Gold Inc                  | 1.5         |
| Marathon Gold Corp                    | 1.5         |
| Belo Sun Mining Corp                  | 1.3         |
| Roxgold Inc                           | 1.3         |
| Cardinal Resources Ltd                | 1.3         |
| Orla Mining Ltd                       | 1.0         |
| Superior Gold Inc                     | 1.0         |
| Centerra Gold Inc                     | 0.9         |
| SilverCrest Metals Inc                | 0.9         |
| K92 Mining Inc                        | 0.8         |
| <b>Total % of Top 25 Holdings</b>     | <b>84.4</b> |
| <b>Total Number of Stock Holdings</b> | <b>90</b>   |
| <b>Total Number of Bond Holdings</b>  | <b>1</b>    |
| <b>Total Number of Other Holdings</b> | <b>3</b>    |
| <b>Total Number of Holdings</b>       | <b>94</b>   |

## Performance Analysis as of June 30, 2018



|  | 1 Mth           | 3 Mth           | 6 Mth           | 1 Yr            | 3 Yr            | 5 Yr            | 10 Yr           | Since Incep. | Trailing Return %        |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------|--------------------------|
|  | 3.1             | 4.4             | -4.5            | -5.6            | 12.1            | 7.1             | 0.3             | 9.5          | Fund                     |
|  | 1 <sup>st</sup> | 1 <sup>st</sup> | 3 <sup>rd</sup> | 3 <sup>rd</sup> | 2 <sup>nd</sup> | 2 <sup>nd</sup> | 2 <sup>nd</sup> | —            | Quartile                 |
|  | 51              | 51              | 51              | 49              | 45              | 38              | 26              | —            | No. of Funds in Category |



# RBC Global Precious Metals Fund

## Management Overview

### Manager Bios

#### Chris Beer

##### RBC Global Asset Management Inc.

Chris Beer is Vice President and Senior Portfolio Manager, Canadian and Global Equities. He has been in the investment industry since 1993.

#### Brahm Spilfogel

##### RBC Global Asset Management Inc.

Brahm Spilfogel is Vice President and Senior Portfolio Manager, Global Equities. He has been in the investment industry since 1991.

#### Jeffrey Schok

##### RBC Global Asset Management Inc.

Jeffrey is Portfolio Manager and Senior Analyst for global resources and precious metal strategies. Jeffrey began his investment career in 2006 and is a CFA charterholder.

### Performance Analysis Cont'd as of June 30, 2018

| Distributions (\$)/Unit | YTD* | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 |
|-------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Total Distributions     | —    | —    | —    | —    | —    | —    | —    | 9.70 | 9.58 | 2.00 | —    |
| Interest                | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |
| Dividends               | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |
| Capital Gains           | —    | —    | —    | —    | —    | —    | —    | 9.70 | 9.58 | 2.00 | —    |
| Return Of Capital       | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |

| Best/Worst Periods % | Ended   | 1 Yr  | Ended   | 3 Yr  | Ended   | 5 Yr  | Ended   | 10 Yr |
|----------------------|---------|-------|---------|-------|---------|-------|---------|-------|
| Best                 | 2-1996  | 163.7 | 11-2003 | 83.0  | 4-2006  | 48.9  | 12-2010 | 35.4  |
| Worst                | 10-2008 | -53.1 | 12-2013 | -29.4 | 12-2015 | -20.9 | 2-2018  | -0.9  |
| Average              |         | 18.0  |         | 17.3  |         | 16.2  |         | 17.9  |
| No. of Periods       |         | 289   |         | 265   |         | 241   |         | 181   |
| Pct. Positive        |         | 54.3  |         | 70.9  |         | 70.1  |         | 98.3  |

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

### Quarterly Commentary as at June 30, 2018

Gold and silver prices were pressured during Q2 as the U.S. dollar recovered strongly from multi-year lows and, surprisingly, mounting trade tensions between the United States, China and Europe did little to stimulate safe-haven buying of precious metals. In fact, outflows from ETFs that hold physical gold contributed to the decline. The June rate hike by the U.S. Federal Reserve and indications for further increases this year also dampened enthusiasm. As a result, the gold price fell 5% in Q2, ending the period at \$1,252 per ounce, just above its year-to-date low. Silver prices outperformed gold, falling just 2%, while palladium was flat and platinum tumbled 8%.

Despite the challenging commodity backdrop, precious-metal equities rose during Q2 on average. The Fund's relative performance was once again positively impacted by a sizable overweight position in Kirkland Lake Gold Ltd., which continued to deliver outstanding operational and

financial results as well as exploration success from its Fosterville mine. Overweight positions in Wesdome Gold Mines Ltd. and Torex Gold Resources Inc. also benefited relative returns. The largest detractor to value-add was an overweight position in Belo Sun Mining Corp.

In the portfolio manager's view, precious-metal equities remain poised to take advantage of any economic stumbles that could disrupt the Federal Reserve's ability to raise interest rates or weaken the U.S. dollar. Renewed geopolitical tensions involving Russia or North Korea could also be a positive catalyst. The worsening of global trade tensions also has the potential to drive gold higher, although this is yet to be seen. August is typically a seasonally strong month for precious-metal equities and, with gold trading near its lows, a relief rally would not be surprising.



# RBC Global Precious Metals 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, 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 full year period, April 1, 2017 to March 31, 2018.

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 June 30, 2018.

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