



# RBC European Dividend Fund

## Investment Objective

To provide long-term total returns consisting of regular dividend income and modest capital growth. The fund invests primarily in common and preferred equity securities of major European companies with above average dividend yields.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF471
Adv	Front End	CAD	RBF6471
Adv	Low Load	CAD	RBF031

Inception Date	August 2014
Total Fund Assets \$Mil	140.8
Series A NAV \$	11.22
Series A MER %	2.09
Benchmark	MSCI Europe Total Return Net Index (\$C)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

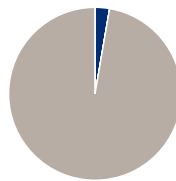
Fund Category	European Equity
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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## Portfolio Analysis as of June 30, 2018

### Asset Mix

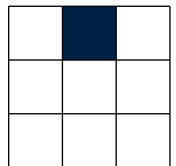


	% Assets
Cash	2.7
Fixed Income	0.0
Canadian Equity	0.0
US Equity	0.0
International Equity	97.3
Other	0.0

### Top 25 Holdings

	% Assets
Unilever NV DR	4.0
RELX NV	3.9
Roche Holding AG Dividend Right Cert.	3.8
Royal Dutch Shell PLC B	3.8
ING Groep NV	3.5
British American Tobacco PLC	3.3
Total SA	3.1
Novartis AG	3.1
Reckitt Benckiser Group PLC	2.7
Rio Tinto PLC	2.6
TGS-NOPEC Geophysical Co ASA	2.6
Rubis SCA	2.4
Nordea Bank AB	2.4
Siemens AG	2.3
London Stock Exchange Group PLC	2.2
Legal & General Group PLC	2.2
UBS Group AG	2.1
BAE Systems PLC	2.0
Banca Generali	2.0
Ibstock PLC	2.0
UniCredit SpA	1.9
Fortum Oyj	1.9
Burberry Group PLC	1.9
Continental AG	1.9
Gaztransport et technigaz SA	1.8
<b>Total % of Top 25 Holdings</b>	<b>65.4</b>
<b>Total Number of Stock Holdings</b>	<b>47</b>
<b>Total Number of Bond Holdings</b>	<b>0</b>
<b>Total Number of Other Holdings</b>	<b>1</b>
<b>Total Number of Holdings</b>	<b>48</b>

### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	2.4
P/E Ratio	13.8
Avg. Mkt Cap. \$B	37.2

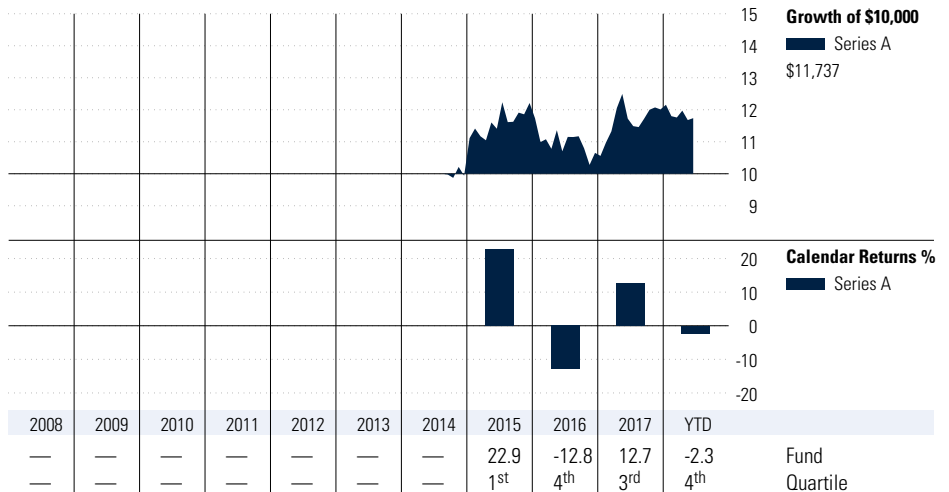
### Top 5 Sectors

	% Equity
Financials	20.0
Consumer Discretionary	14.5
Industrials	14.3
Energy	11.7
Consumer Staples	11.7

### Geographic Allocations

	% Assets
United Kingdom	38.5
Netherlands	13.3
Switzerland	11.0
France	10.5
Germany	7.6

## 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 %
	0.5	-0.2	-2.3	0.1	1.0	—	—	4.8	Fund
	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	—	—	—	Quartile
	177	177	175	173	117	77	55	—	No. of Funds in Category



# RBC European Dividend Fund

## Management Overview

### Manager Bios

#### James Jamieson

##### RBC Global Asset Management (UK) Limited

James is a Portfolio Manager with the European Equity team of RBC Global Asset Management (UK) Limited. He co-manages both the European Equity strategy and the European Dividend strategy. James began his career with S&W Investment Management in the graduate program in 2008. He ultimately joined RBC Global Asset Management as an Associate Portfolio Manager in January 2014. James graduated from Imperial College in 2008 with a First Class BSc (Hons) degree in Applied Business, holds the Chartered MCSI and is a CFA charterholder.

#### 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 June 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.21	0.21	0.31	0.01	—	—	—	—	—	—	—
Interest	0.21	0.21	0.31	0.01	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2015	22.9	10-2017	6.7	—	—	—	—
Worst	11-2016	-13.3	5-2018	0.2	—	—	—	—
Average		3.6		3.6		—		—
No. of Periods		35		11		—		—
Pct. Positive		57.1		100.0		—		—

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

### Quarterly Commentary as at June 30, 2018

European markets had their strongest quarter since Q1 2017, which resulted in the recovery of most first-quarter losses. This occurred despite geopolitical events continuing to create volatility across global markets.

The protectionist trade policies pursued by U.S. President Trump, which has crystallized in a nascent trade war with China, was accompanied by the installation of a populist political coalition in Italy with promises to boost government spending. Brexit-centred uncertainty persisted from both a political and business perspective, with economic growth in the United Kingdom continuing to lag the rest of Europe.

European macro data plateaued after first-quarter declines and, at their current level, are still consistent with double-digit earnings growth. Leading indicators have begun to roll over; although this is not necessarily bearish for the market as a whole, it can have implications for sector rotation.

Data seems to suggest further earnings growth is possible while, from a valuation perspective, market price-to-earnings ratios are close to fair value and dividend yields in all markets look attractive relative to bond yields.

At a sector level, our position in Energy was the standout positive contributor whereas the position in Financials was an offsetting negative.

The largest individual contributor was our position in TGS-NOPEC Geophysical Co., followed by the second-largest contributor, Royal Dutch Shell plc. The largest detractors were Pandora Jewelry A/S and ING Groep N.V.

While we are, as always, cognizant of the wider macro environment, our focus remains on the discipline of long-term investing in companies with strong competitive positions, low capital intensity, sustainable and/or improving profitability.



# RBC European Dividend 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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