



# RBC Asia Pacific ex-Japan Equity Fund

## Investment Objective

To provide long-term capital growth. The fund invests primarily in equity securities of companies located or having a principal business interest in Asian markets such as Hong Kong, South Korea, China, Taiwan, Australia, New Zealand, Singapore, India, Malaysia, Thailand, the Philippines and Indonesia. The fund does not invest in Japan.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF475
Adv	Front End	CAD	RBF6735
Adv	Low Load	CAD	RBF4075

Inception Date	March 2014
Total Fund Assets \$Mil	2,006.1
Series A NAV \$	13.22
Series A MER %	2.18
Benchmark	MSCI AC Asia Pacific ex-Japan Total Return Net Index

Income Distribution	Annually
Capital Gains Distribution	Annually

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

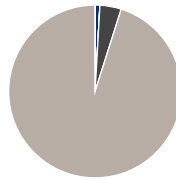
Fund Category	Asia Pacific ex-Japan Equity
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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## Portfolio Analysis as of December 31, 2017

### Asset Mix

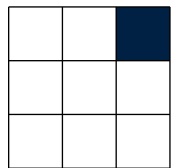


	% Assets
Cash	0.9
Fixed Income	0.0
Canadian Equity	0.0
US Equity	4.0
International Equity	95.1
Other	0.0

### Top 25 Holdings

	% Assets
Tencent Holdings Ltd	5.9
Ping An Insurance (Group) Co of China H	4.3
CSL Ltd	4.3
Samsung Electronics Co Ltd	4.2
Alibaba Group Holding Ltd ADR	3.6
AIA Group Ltd	3.3
Taiwan Semiconductor Manufacturing	3.3
Commonwealth Bank of Australia	3.3
Shinhan Financial Group Co Ltd	2.6
Catcher Technology Co Ltd	2.6
CP All PCL Shs Foreign Registered	2.5
Korea Electric Power Corp	2.5
HDFC Bank Ltd ADR	2.4
HDFC Bank Ltd	2.2
James Hardie Industries PLC DR	2.0
NetEase Inc ADR	2.0
Samsung Fire & Marine Insurance Co Ltd	1.9
Shenzhou International Group Hldgs Ltd	1.7
IMAX China Holding Inc	1.7
Largan Precision Co Ltd	1.6
Volta Ltd	1.6
Oil Search Ltd	1.6
Kasikornbank Public Co Ltd DR	1.6
PT Bank Central Asia Tbk	1.5
Surya Citra Media Tbk	1.5
Total % of Top 25 Holdings	65.5
Total Number of Stock Holdings	61
Total Number of Bond Holdings	1
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>63</b>

### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	2.3
P/E Ratio	16.0
Avg. Mkt Cap. \$B	35.4

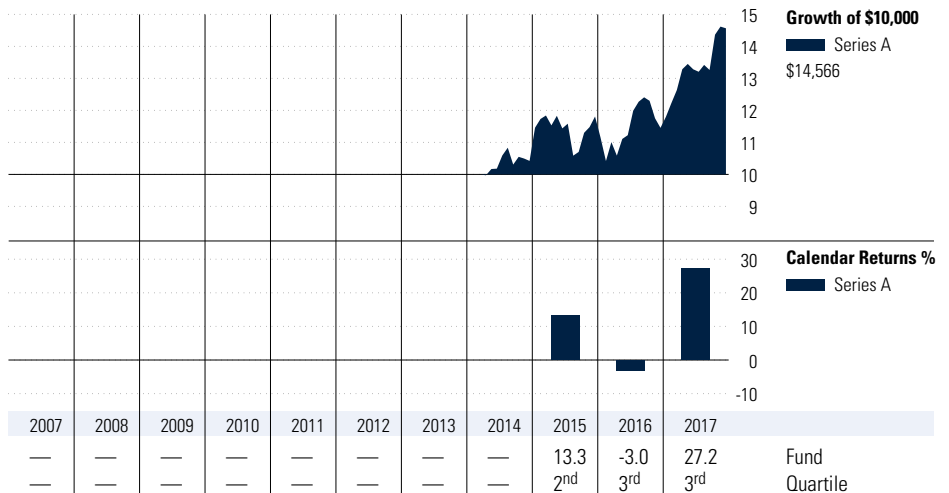
### Top 5 Sectors

	% Equity
Information Technology	30.5
Financials	25.3
Consumer Discretionary	10.9
Consumer Staples	7.2
Health Care	6.5

### Geographic Allocations

	% Assets
China	23.9
South Korea	16.9
Australia	13.8
India	12.9
Taiwan	9.0

## Performance Analysis as of December 31, 2017



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	-0.4	9.8	9.6	27.2	11.8	—	—	10.5	Fund
	2 <sup>nd</sup>	1 <sup>st</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	—	—	—	Quartile
	75	75	74	71	53	33	21	—	No. of Funds in Category



# RBC Asia Pacific ex-Japan Equity Fund

## Management Overview

### Manager Bios

#### Mayur Nallamala

#### RBC Investment Management (Asia) Limited

Mayur Nallamala is Senior Portfolio Manager and the Head of Asian Equities. He has been in the investment industry since 1998, and prior to joining the firm in 2013 was a portfolio manager at JP Morgan Asset Management in Hong Kong. He was responsible for Asia Pacific ex-Japan mandates managing assets on behalf of sovereign wealth, institutional and retail clients around the world. He spent his early career at Chase Futures & Options in London and at ABN AMRO in Hong Kong. Mayur holds a Bachelor of Science from the London School of Economics.

### Performance Analysis Cont'd as of December 31, 2017

Distributions (\$)/Unit	2017*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.31	—	0.74	0.13	—	—	—	—	—	—	—
Interest	—	—	0.24	0.04	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	0.31	—	0.50	0.08	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2017	27.2	12-2017	11.8	—	—	—	—
Worst	2-2016	-11.2	8-2017	7.4	—	—	—	—
Average		9.1		9.6				
No. of Periods		34		10				
Pct. Positive		76.5		100.0				

\* 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

Asian markets continued to post robust gains during Q4, continuing strong performance seen in 2017. Equity markets across Asia and emerging markets performed very well on the back of an upswing in global economic data and solid regional economic performance, particularly in China.

During Q4, the strongest-performing markets in the Asia Pacific region were China, South Korea and Australia. At the sector level, Information Technology and Financials outperformed while Utilities and Telecommunication Services lagged the benchmark.

The Consumer Staples and Industrial sectors were the leading contributors to the Fund's relative performance while the Energy sector detracted from the benchmark during Q4. The strongest performance came from our position in Ping An Insurance, a financial conglomerate in China, with one of the best insurance franchises in China. Ping An is also a leader in FinTech, with some of its subsidiaries showing long term potential.

On the other hand, the largest negative detractor to relative performance came from our position in Largan Precision, which makes optical lens and electronic components used in smartphones. Shares of Largan fell, as the company lost market share to its competitors Sunny Optical, Kantatsu and Genius. In addition, the market is concerned that hybrid lens could be more disruptive than expected to Largan's core business of plastic lenses.

The backdrop for Asian economies remains constructive. While the U.S. Federal Reserve is expected to raise rates and shrink its balance sheet, which may lead to short term volatility, Asian economies remain in decent shape, led by local consumption and supportive government policies. If the U.S. dollar continues to remain weak, this will benefit export led Asian economies and keep inflation benign. Provided inflation in Asia remains low, governments can continue to maintain favorable monetary conditions. Geopolitical concerns are a tail risk.



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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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