



# RBC Japanese Equity Fund

## Investment Objective

To provide long-term capital growth. The fund invests primarily in equity securities of Japanese companies.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF476
Adv	Front End	CAD	RBF6736
Adv	Low Load	CAD	RBF4076

Inception Date	March 2014
Total Fund Assets \$Mil	1,109.9
Series A NAV \$	11.99
Series A MER %	2.23
Benchmark	MSCI Japan Total Return Net Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

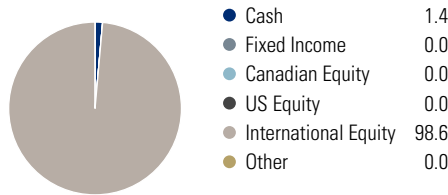
Fund Category	Geographic Equity
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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## Portfolio Analysis as of June 30, 2017

### Asset Mix



### Equity Style



Value Blend Growth

### Top 5 Sectors

Sector	% Equity
Consumer Discretionary	19.2
Financials	16.3
Information Technology	15.3
Industrials	14.2
Health Care	11.5

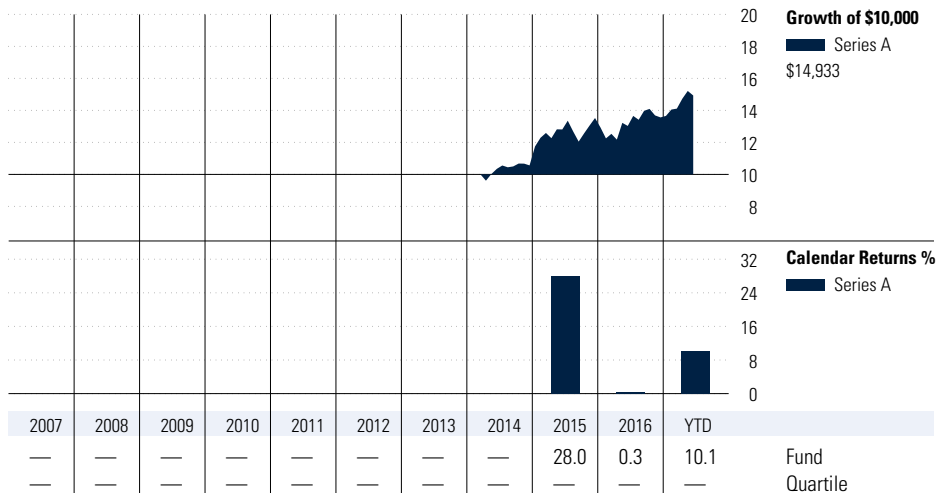
### Geographic Allocations

Geography	% Assets
Japan	100.0

### Top 25 Holdings

Company	% Assets
SoftBank Group Corp	7.0
Mitsubishi UFJ Financial Group Inc	4.0
Mizuho Financial Group Inc	3.9
Sumitomo Mitsui Financial Group Inc	3.8
Suzuki Motor Corp	3.2
Bridgestone Corp	2.9
Yahoo Japan Corp	2.8
Japan Tobacco Inc	2.8
PeptiDream Inc	2.5
System Corp	2.2
Honda Motor Co Ltd	2.2
Mitsubishi Corp	2.1
Sony Financial Holdings Inc	2.0
Daikin Industries Ltd	2.0
SMC Corp	2.0
Nippon Telegraph & Telephone Corp	1.9
Nintendo Co Ltd	1.8
Murata Manufacturing Co Ltd	1.7
Tosoh Corp	1.7
MISUMI Group Inc	1.7
Nitto Denko Corp	1.6
Nomura Research Institute Ltd	1.5
Panasonic Corp	1.5
Nitori Holdings Co Ltd	1.5
USS Co Ltd	1.5
Total % of Top 25 Holdings	61.7
Total Number of Stock Holdings	62
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>63</b>

## Performance Analysis as of June 30, 2017



Period	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Fund	-1.9	5.8	10.1	14.6	13.0	—	—	11.7	Fund
Quartile	—	—	—	—	—	—	—	—	Quartile
No. of Funds in Category	41	41	40	39	25	21	14	—	No. of Funds in Category



# RBC Japanese Equity Fund

## Management Overview

### Manager Bios

#### Tomonori Kaneko

#### RBC Investment Management (Asia) Limited

Tomonori Kaneko is Portfolio Manager, Japanese Equities. He has worked in the RBC investment industry since 2003. Prior to joining RBC, he was a junior portfolio manager for Marshall Wace GaveKal Japan equity focused strategies and senior analyst at Perry Capital. Mr. Kaneko spent his early career in distressed debt investment at Lone Star Group. Tomonori holds a Bachelor of Science in Bioengineering from the University of California, Berkeley, and a Master's degree in Bioscience from the University of Tokyo.

### Performance Analysis Cont'd as of June 30, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	—	1.04	0.90	0.20	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	1.04	0.90	0.20	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2015	28.0	4-2017	15.3	—	—	—	—
Worst	4-2016	-0.7	3-2017	12.2	—	—	—	—
Average		13.4		13.9				
No. of Periods		28		4				
Pct. Positive		89.3		100.0				

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

### Quarterly Commentary as at June 30, 2017

The Consumer Discretionary and Health Care sectors were the leading contributors to Fund performance while the Information Technology sector detracted from the benchmark during the past quarter. The top absolute contributor was Peptidream Inc, a biopharmaceutical company that boasts technological collaborations with some of the world's largest pharmaceuticals. Softbank Group also contributed positively to Fund outperformance as investors welcomed the addition of its US\$100bn investment fund which should boost its earnings outlook. Softbank's investment in Alibaba Group provided a lift in sentiment for Softbank shareholders after Alibaba reported record earnings during the period.

The Fund's positioning in the Information Technology sector detracted from fund performance. The Fund continues to favor the Telecommunication Services and Health Care sectors while underweighting Industrials, Real Estate and Utilities.

Economic data from Japan has been reasonably encouraging, which has led to gains in the index year to date. Abenomics, with its accommodative fiscal and monetary policies deserves credit for Japan's improving economic position.

Prime Minister Abe's position remains strong despite the recent setback his LDP party suffered in the Tokyo elections. He continues to push forward on longer term structural reforms. The Bank of Japan's (BoJ's) Governor Kuroda is expected to be reappointed when his term ends in April 2018, to ensure the BoJ continues its yield curve control policy while scaling back the pace of its Japanese government bond purchasing. Abe's stimulus packages continue to focus on infrastructure projects, wage growth and consumption, which should help stimulate growth over the next two years. Lastly, we have been encouraged to see a gradual improvement in corporate governance that should lead to better investor returns.



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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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completeness or correctness. All opinions and estimates constitute RBC GAM's judgment as of the date of this document, are subject to change without notice and are provided in good faith but without legal responsibility. The Top Ten/25 Holdings may change due to ongoing portfolio transactions within the fund. The Prospectus and other information about the underlying investment funds are available at [www.sedar.com](http://www.sedar.com).

MER (%) for RBC Funds and PH&N Funds is based on actual expenses for the full-year period, January 1 to December 31, 2016, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full-year period, April 1, 2016 to March 31, 2017, expressed on an annualized basis.

Adjusted MER is provided for funds with management fee changes effective June 30, 2016. The Adjusted MER represents what the reported MER would have been had management fee changes been in effect throughout 2016.

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 April 30, 2017.

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