



RBC Emerging Markets Small-Cap Equity Fund

Investment Objective

To provide long-term total capital growth. The fund invests primarily in equity securities of small-cap companies located or active in emerging markets.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF485
Adv	Deferred Sales	CAD	RBF885
Adv	Front End	CAD	RBF715
Adv	Low Load	CAD	RBF085

Inception Date	August 2013
Total Fund Assets \$Mil	431.1
Series A NAV \$	13.73
Series A MER %	2.41
Benchmark	MSCI Emerging Markets Small-Cap Total Return Net Index (\$C)

Income Distribution	Annually
Capital Gains Distribution	Annually

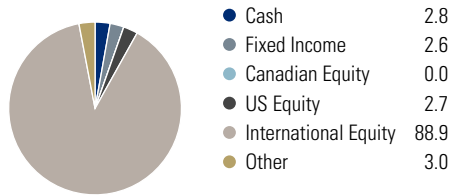
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

Fund Category	Emerging Markets Equity
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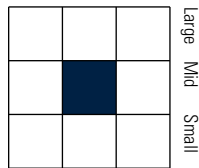
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Portfolio Analysis as of March 31, 2017

Asset Mix



Equity Style



Value Blend Growth

Top 5 Sectors

Sector	% Equity
Consumer Discretionary	27.3
Consumer Staples	17.6
Financials	17.0
Information Technology	10.7
Materials	6.5

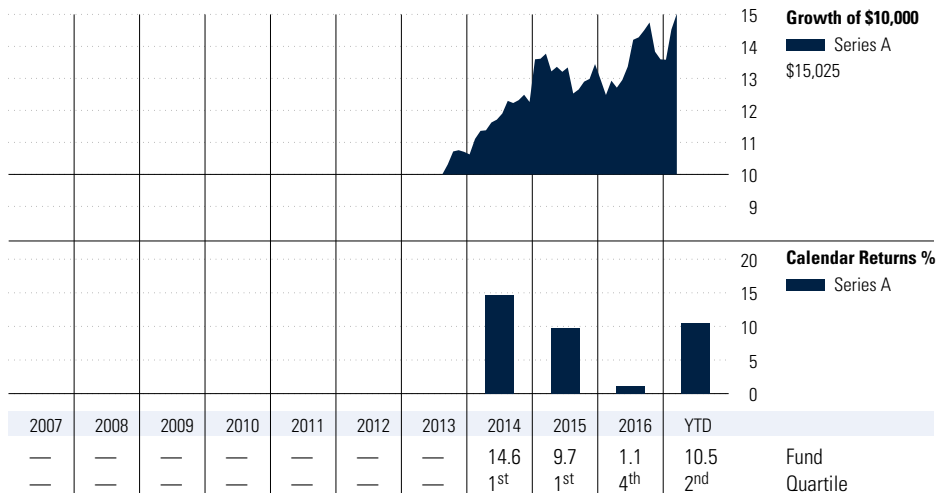
Geographic Allocations

Region	% Assets
India	21.5
Taiwan	15.9
Brazil	8.0
South Korea	7.1
Chile	6.8

Top 25 Holdings

Company	% Assets
Delta Electronics Thailand Pcl	3.6
Tube Investments Of India Ltd	3.2
Indraprastha Gas Ltd	3.0
Marico Ltd	3.0
Godrej Industries Ltd	2.9
Mc Group PCL Shs Foreign Registered	2.8
Aeon Thana Sinsap (Thailand) PCL DR	2.8
DGB Financial Group Co Ltd	2.8
Samsonite International SA	2.7
Inversiones Aguas Metropolitanas SA	2.6
Standard Foods Corp	2.6
Aramex Pjsc, Participation Notes	2.6
Luthai Textile Co Ltd	2.5
Security Bank Corp	2.5
Wistron Newweb Corp	2.4
Bajaj Holdings and Investment Ltd	2.4
Sundaram Finance Ltd	2.2
PT Ace Hardware Indonesia Tbk	2.2
Amorepacific Pfd	2.2
Cummins India Ltd	2.1
MAHLE-Metal Leve SA	2.0
Oceana Group Ltd	2.0
Chroma Ate Inc	2.0
Parque Arauco SA	1.9
Sonda SA	1.7
Total % of Top 25 Holdings	62.6
Total Number of Stock Holdings	56
Total Number of Bond Holdings	1
Total Number of Other Holdings	4
Total Number of Holdings	61

Performance Analysis as of March 31, 2017



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
3.4	10.5	3.6	16.2	9.8	—	—	10.2	Fund
3 rd	2 nd	4 th	3 rd	1 st	—	—	—	Quartile
242	236	232	205	154	111	44	—	No. of Funds in Category



RBC Emerging Markets Small-Cap Equity Fund

Management Overview

Manager Bios

Philippe Langham

RBC Global Asset Management (UK) Limited

Philippe Langham is Head, Emerging Markets Equities & Senior Portfolio Manager. He has worked in the investment industry since 1992 and in 2009 joined the firm to establish and lead the team that manages RBC Emerging Markets Equity Fund. Philippe is a graduate of the University of Manchester in England, where he earned a Bachelor's degree in Economics. He is also a qualified Chartered Accountant.

Performance Analysis Cont'd as of March 31, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	—	0.09	0.25	0.10	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.09	0.25	0.10	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	1-2015	28.0	8-2016	12.6	—	—	—	—
Worst	2-2016	-8.3	12-2016	8.3	—	—	—	—
Average		9.6		10.1				
No. of Periods		32		8				
Pct. Positive		84.4		100.0				

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

Quarterly Commentary as at March 31, 2017

The first quarter of 2017 proved to be a strong quarter for emerging market equities on the back of U.S dollar weakness and fading conviction that the U.S. administration could implement trade sanctions.

At the sector level, stock selection within the Information Technology sector was a key detractor of returns, however, this was mitigated by strong stock selection in the Materials sector.

At the county level, stock selection was particularly strong in Thailand, though weaker in Taiwan and India. However an overweight position in the latter offset some of the negative impact.

Looking ahead, several factors should continue to

support emerging-market equity performance over the medium term. First, emerging-market currencies are undervalued versus the U.S. dollar, and any appreciation in emerging-market currencies would be positive for emerging-market equities. Second, the earnings outlook for emerging markets relative to developed markets is improving, and relatively fast growth in emerging markets is a positive sign for their stock markets especially given improved productivity and economic reforms. Finally, valuations for emerging markets remain attractive relative to developed markets following the significant underperformance of emerging markets over the past six years.



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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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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.

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 half-year period, April 1, 2016 to September 30, 2016, 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.

PH&N Funds Series A formerly known as Series C.

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, 2017.

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