



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	453.4
Series A NAV \$	13.47
Series A MER %	2.40
Benchmark	MSCI Emerging Markets Small-Cap Total Return Net Index (\$C)

Income Distribution	Annually
Capital Gains Distribution	Annually

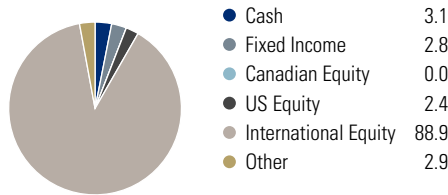
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

Fund Category	Emerging Markets Equity
---------------	-------------------------

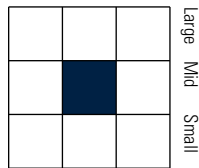
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Portfolio Analysis as of September 30, 2017

Asset Mix



Equity Style



Value Blend Growth

Top 5 Sectors

Sector	% Equity
Consumer Discretionary	23.0
Consumer Staples	21.0
Financials	17.7
Information Technology	17.0
Materials	7.6

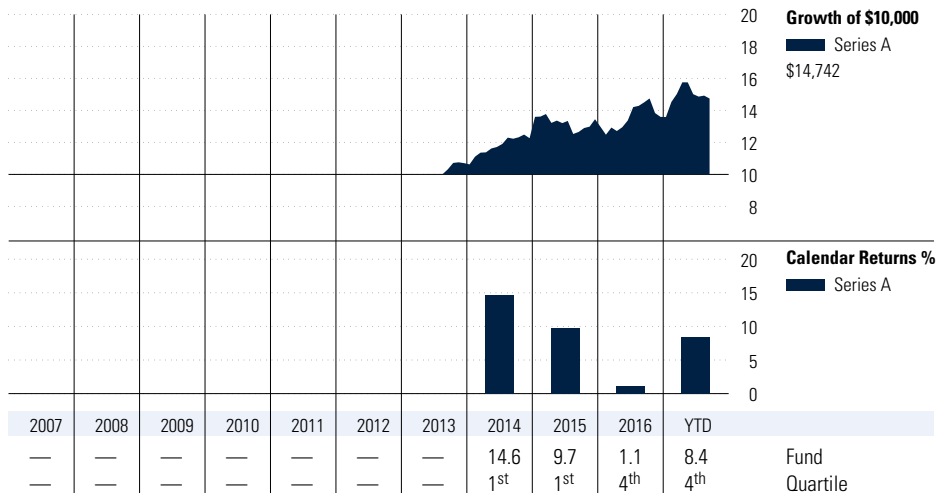
Geographic Allocations

Region	% Assets
India	20.0
Taiwan	15.7
Brazil	9.1
South Korea	7.1
Chile	6.8

Top 25 Holdings

Company	% Assets
Cyient Ltd	4.1
Delta Electronics Thailand Pcl	3.4
Bajaj Holdings and Investment Ltd	3.0
Aramex Pjsc, Participation Notes	2.8
Wistron Neweb Corp	2.8
Godrej Industries Ltd	2.7
Marico Ltd	2.7
Aeon Thana Sinsap (Thailand) PCL DR	2.6
Standard Foods Corp	2.6
Inversiones Aguas Metropolitanas SA	2.6
Samsonite International SA	2.4
Duratex SA	2.4
Sundaram Finance Ltd	2.3
TI Financial Holdings Ltd	2.3
DGB Financial Group Co Ltd	2.3
Luthai Textile Co Ltd	2.1
Chroma Ate Inc	2.0
Security Bank Corp	2.0
Mc Group PCL Shs Foreign Registered	1.9
MAHLE-Metal Leve SA	1.9
Sonda SA	1.9
Amorepacific Pfd	1.9
Grupo Herdez SAB de CV	1.8
Parque Arauco SA	1.7
Century Pacific Food Inc	1.7
Total % of Top 25 Holdings	60.2
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 September 30, 2017



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
-1.2	-1.8	-1.9	1.7	6.4	—	—	8.4	Fund
4 th	4 th	4 th	4 th	3 rd	—	—	—	Quartile
252	251	244	219	158	108	47	—	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 September 30, 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	9-2017	6.4	—	—	—	—
Average		9.9		9.5				
No. of Periods		38		14				
Pct. Positive		86.8		100.0				

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

Quarterly Commentary as at September 30, 2017

Emerging markets continued their outperformance in Q3 – outperforming developed markets. This was aided by robust earnings and the weakness of the U.S. dollar; however the dollar began to rebound against emerging market currencies towards the end of Q3.

Commodities had notable gains for most of the period, with crude oil, gas and metals rising significantly.

Brazil, Russia and Chile were the best performing countries, while Indonesia and Qatar were among the worst. Privatisation plans to tackle rising government deficits helped Brazilian equities and the dismissal of corruption charges against the President reinvigorated the prospects of reform. Qatar continued to suffer from claims by neighbouring countries that it supports terrorism.

Real Estate, Energy and Information Technology were the best performing sectors, while Industrials, Consumer Staples and Telecommunication Services were the worst.

The Emerging Markets Small-Cap Equity Strategy underperformed its benchmark, the MSCI Emerging Market Small Cap Net Index.

Taiwan and Thailand, together with an

underweight in China, detracted from returns. Stock selection in India, South Korea and the Philippines contributed.

Stock selection in the Consumer Staples (plus being overweight that sector) and Consumer Discretionary sectors detracted from returns. Our underweight in Industrials and strong stock selection in Materials and Financials was positive for returns.

Bajaj Holdings was the top contributor after it reported stronger-than-expected net profit. TI Financials caught up with the broader Indian market on news of progress on the demerger of its financials and manufacturing business. China BlueChemical reported strong results driven by a rise in the price of urea. Duratex and Natura Cosmetics also performed well.

The biggest detractor was Amorepacific as its preferred and common shares fell as the market reacted to weaker earnings momentum due to geopolitical issues impacting its China business. DGB Financial fell following a period of good performance. MC Group's share price fell due to disappointing Q2 results and Godrej Industries and Giant Manufacturing also detracted.



RBC Emerging Markets Small-Cap Equity 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.

This document has been compiled by RBC Global Asset Management Inc. (RBC GAM) from sources believed to be reliable, but no representations or warranty, express or implied, are made by RBC GAM, its affiliates or any other person as to its accuracy,

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.

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 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 September 30, 2017.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2017