



RBC U.S. Mid-Cap Value Equity Fund

Investment Objective

To provide long-term capital growth. The fund invests primarily in equity securities of U.S. mid-cap companies that are deemed to be undervalued in order to provide broad exposure to economic growth opportunities in the equity markets.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF492
A	No Load	USD	RBF542
Adv	Deferred Sales	CAD	RBF892
Adv	Front End	CAD	RBF792
Adv	Low Load	CAD	RBF092
Adv	Front End	USD	RBF6542
Adv	Low Load	USD	RBF4542

Inception Date	January 2012
Total Fund Assets \$Mil	640.1
Series A NAV \$	13.02
Series A MER %	2.09
Series A Adjusted MER %	2.03
Benchmark	Russell Midcap Value Index (CS)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

Fund Category	US Small/Mid Cap Equity
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Management Company	RBC Global Asset Management Inc.
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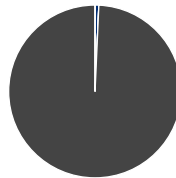
Web Site	www.rbcgam.com
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Notes

Performance Analysis is in CAD and for CAD series A fund (RBF492).

Portfolio Analysis as of June 30, 2017

Asset Mix

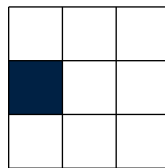


	% Assets
Cash	0.7
Fixed Income	0.0
Canadian Equity	0.0
US Equity	99.3
International Equity	0.0
Other	0.0

Top 25 Holdings

	% Assets
AmTrust Financial Services Inc	4.4
Jazz Pharmaceuticals PLC	4.4
Tesoro Corp	4.2
National General Holdings Corp	4.2
Steel Dynamics Inc	3.2
Foot Locker Inc	2.7
Alaska Air Group Inc	2.5
Lam Research Corp	2.5
Synchrony Financial	2.4
Signature Bank	2.3
Newell Brands Inc	2.3
WestRock Co A	2.1
Range Resources Corp	2.1
Brunswick Corp	2.0
CMS Energy Corp	2.0
Envision Healthcare Corp	2.0
Citizens Financial Group Inc	1.9
Microsemi Corp	1.8
Parsley Energy Inc A	1.7
Mohawk Industries Inc	1.6
Lennar Corp	1.5
Toll Brothers Inc	1.4
Oshkosh Corp	1.4
Cavium Inc	1.4
Callon Petroleum Co	1.4
Total % of Top 25 Holdings	59.2
Total Number of Stock Holdings	74
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	75

Equity Style



Value Blend Growth

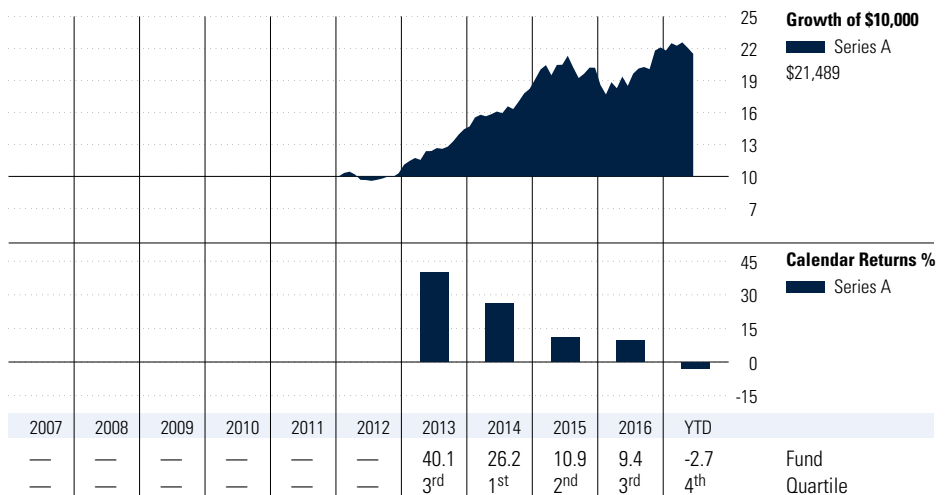
Equity Statistics

P/B Ratio	1.9
P/E Ratio	16.1
Avg. Mkt Cap. \$B	10.0

Global Equity Sectors

	% Equity
Financials	18.9
Consumer Discretionary	17.1
Energy	14.2
Information Technology	12.7
Health Care	8.2
Real Estate	7.9
Industrials	7.2
Materials	6.5
Utilities	5.8
Consumer Staples	1.2
Telecommunication Services	0.3
Unclassified	0.0

Performance Analysis as of June 30, 2017



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trading Return %
	-2.6	-3.4	-2.7	16.2	10.1	17.3	—	15.2	Fund
	4 th	4 th	4 th	3 rd	3 rd	2 nd	—	—	Quartile
	272	265	260	255	159	103	48	—	No. of Funds in Category



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Management Overview

Manager Bios

Lance F. James

RBC Global Asset Management (U.S.) Inc.

Lance F. James is Managing Director and Senior Portfolio Manager. He has been in the investment industry since 1980.

Stephen E. Kylander

RBC Global Asset Management (U.S.) Inc.

Stephen E. Kylander is Vice President and Senior Portfolio Manager. He has been in the investment industry since 1986.

Performance Analysis Cont'd as of June 30, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	—	0.18	1.56	3.87	1.26	0.08	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.18	1.56	3.87	1.26	0.08	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2013	40.1	7-2015	30.5	5-2017	17.9	—	—
Worst	2-2016	-11.7	6-2017	10.1	3-2017	16.3	—	—
Average		19.3		19.7		17.1		—
No. of Periods		54		30		6		—
Pct. Positive		85.2		100.0		100.0		—

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

Quarterly Commentary as at June 30, 2017

Broad equity markets continued their march upward in Q2. Small cap and value stocks continued to trail their large cap and growth counterparts as investors grappled with the uncertainty surrounding the new administration's ability to execute on its pro-growth policy changes. Despite these challenges, markets have remained resilient on the back of modestly accelerating economic growth and broadly positive leading economic indicators, so called "soft data" – though it remains to be seen how long this upward trend can persist without "hard data" following the leading indicators' move upward and earnings growth accelerating meaningfully.

The Fund's underperformance was due to adverse stock selection and moderate sector allocation headwinds. Stock selection in the Financials and Industrials sectors weighed the most on returns and more than offset favorable selection in the Energy and Materials sectors. In terms of sector allocation decisions, the Fund's significant

overweight to the poor performing Energy sector weighed on returns. Despite the underperformance, the team is staying disciplined in their process, continuing to focus on valuation and fundamentals in the companies that we hold.

The Fund's strategy seeks to be invested in companies with attractive business fundamentals whose stocks are trading at a discount. Overall positioning of the Fund is done primarily on a bottom-up basis with relative valuation gaps influencing portfolio construction within defined limits. The Fund continues to be based on the premise that a diversified portfolio of companies with attractive return characteristics, opportunity for improvement, and low absolute and relative stock valuation metrics provides an attractive investment option and seeks to avoid and at times exploit excesses that arise in both bear and bull markets.



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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.

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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