



RBC U.S. Small-Cap Core Equity Fund

Investment Objective

To provide long-term capital growth. The Fund invests primarily in equity securities of U.S. small-cap companies 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	RBF493
A	No Load	USD	RBF543
Adv	Deferred Sales	CAD	RBF893
Adv	Front End	CAD	RBF793
Adv	Low Load	CAD	RBF093
Adv	Front End	USD	RBF6543
Adv	Low Load	USD	RBF4543

Inception Date	January 2012
Total Fund Assets \$Mil	222.9
Series A NAV \$	21.00
Series A MER %	2.06
Benchmark	Russell 2000 Index (C\$)

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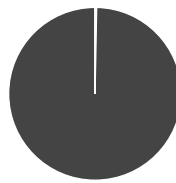
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Notes

Performance Analysis is in CAD and for CAD series A fund (RBF493).

Portfolio Analysis as of March 31, 2018

Asset Mix

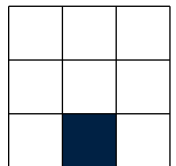


	% Assets
Cash	0.3
Fixed Income	0.0
Canadian Equity	0.0
US Equity	99.7
International Equity	0.0
Other	0.0

Top 25 Holdings

	% Assets
Patrick Industries Inc	4.7
Compass Diversified Holdings	3.8
Columbus McKinnon Corp	3.7
Grand Canyon Education Inc	3.5
MKS Instruments Inc	3.4
ACCO Brands Corp	3.0
Emergent BioSolutions Inc	2.8
LCI Industries Inc	2.7
Greenbrier Companies Inc	2.6
NN Inc	2.3
Chemical Financial Corp	2.2
InterDigital Inc	2.2
Pacific Premier Bancorp Inc	2.1
AMERISAFE Inc	2.1
Ring Energy Inc	2.1
Wintrust Financial Corp	2.1
Gray Television Inc	2.1
United Community Banks Inc	2.0
Globus Medical Inc Class A	1.9
Texas Capital Bancshares Inc	1.9
Nexstar Media Group Inc Class A	1.9
Astronics Corp	1.8
Universal Electronics Inc	1.8
Callon Petroleum Co	1.7
Coherent Inc	1.7
Total % of Top 25 Holdings	61.9
Total Number of Stock Holdings	78
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	79

Equity Style



Value Blend Growth

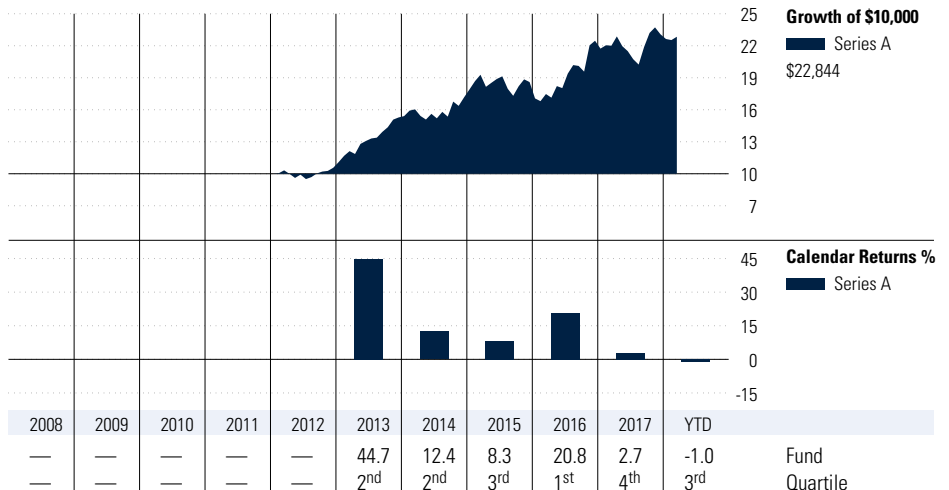
Equity Statistics

P/B Ratio	2.0
P/E Ratio	15.2
Avg. Mkt Cap. \$B	2.1

Global Equity Sectors

	% Equity
Industrials	27.4
Consumer Discretionary	22.0
Financials	18.6
Information Technology	11.2
Health Care	8.2
Materials	5.2
Energy	4.1
Utilities	1.3
Telecommunication Services	1.1
Real Estate	0.7
Consumer Staples	0.3
Unclassified	0.0

Performance Analysis as of March 31, 2018



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	1.4	-1.0	4.4	3.8	5.8	13.5	—	14.3	Fund
	1 st	3 rd	3 rd	3 rd	3 rd	3 rd	—	—	Quartile
	292	292	269	255	180	102	58	—	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.

Performance Analysis Cont'd as of March 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.50	—	—	0.27	0.11	0.35	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.50	—	—	0.27	0.11	0.35	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	11-2013	46.9	7-2015	26.3	11-2017	18.2	—	—
Worst	2-2016	-10.1	3-2018	5.8	3-2018	13.5	—	—
Average		17.2		15.4		16.6		
No. of Periods		63		39		15		
Pct. Positive		90.5		100.0		100.0		

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

Quarterly Commentary as at March 31, 2018

Equity markets faced a challenging quarter, given macroeconomic concerns about inflation, higher interest rates and trade tensions that threatened to overshadow the strength of the underlying economy and solid company fundamentals. Heading into 2018, despite reasonably high expectations of continued strong results from Q4 into Q1, investors reverted to a more defensive posture. However, these fears appear overblown as there are several catalysts in place to fuel the U.S. economy that we believe should spur further acceleration in economic growth.

The Fund's underperformance was due to both adverse stock selection and sector-allocation headwinds. Favourable stock selection in the Energy sector was outweighed by adverse performance in the Industrials and Consumer Discretionary sectors. The Fund's significant underweight to the relatively strong Health Care sector also weighed on returns from a sector-

allocation standpoint.

The Fund's strategy focuses on neglected small-cap companies with attractive long-term fundamentals, near-term profitability improvement potential and low relative valuations. The strategy emphasizes market leaders with proven products or services, sustainable competitive advantages, solid balance sheets and attractive cash flows. While sector weightings are a result of bottom-up research and stock selection, the strategy remains positioned for economic recovery. Downside protection is sought through the portfolio's superior return on equity (ROE) and balance sheet profile compared to the Index and the market leadership positions of most portfolio companies. The strategy continues to trade at a valuation discount to the Russell 2000 Index on several measures while providing superior projected earnings growth and ROE.



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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 full year period, January 1 to December 31, 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 March 31, 2018.

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