



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	231.8
Series A NAV \$	21.21
Series A MER %	2.05
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.
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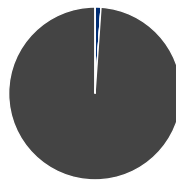
Web Site	www.rbcgam.com
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Notes

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

Portfolio Analysis as of December 31, 2017

Asset Mix

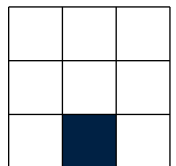


	% Assets
Cash	1.1
Fixed Income	0.0
Canadian Equity	0.0
US Equity	98.9
International Equity	0.0
Other	0.0

Top 25 Holdings

	% Assets
Patrick Industries Inc	5.0
Compass Diversified Holdings	3.6
Columbus McKinnon Corp	3.6
Grand Canyon Education Inc	2.9
LCI Industries Inc	2.9
ACCO Brands Corp	2.6
MKS Instruments Inc	2.6
InterDigital Inc	2.6
Gray Television Inc	2.5
Emergent BioSolutions Inc	2.5
NN Inc	2.5
Coherent Inc	2.4
Greenbrier Companies Inc	2.3
AMERISAFE Inc	2.1
Pacific Premier Bancorp Inc	2.0
Chemical Financial Corp	1.9
Universal Electronics Inc	1.9
Astronics Corp	1.9
Ring Energy Inc	1.9
Wintrust Financial Corp	1.8
Texas Capital Bancshares Inc	1.8
Nexstar Media Group Inc Class A	1.7
Callon Petroleum Co	1.6
West Pharmaceutical Services Inc	1.6
Zagg Inc	1.6
Total % of Top 25 Holdings	59.7
Total Number of Stock Holdings	1,995
Total Number of Bond Holdings	0
Total Number of Other Holdings	7
Total Number of Holdings	2,002

Equity Style



Value Blend Growth

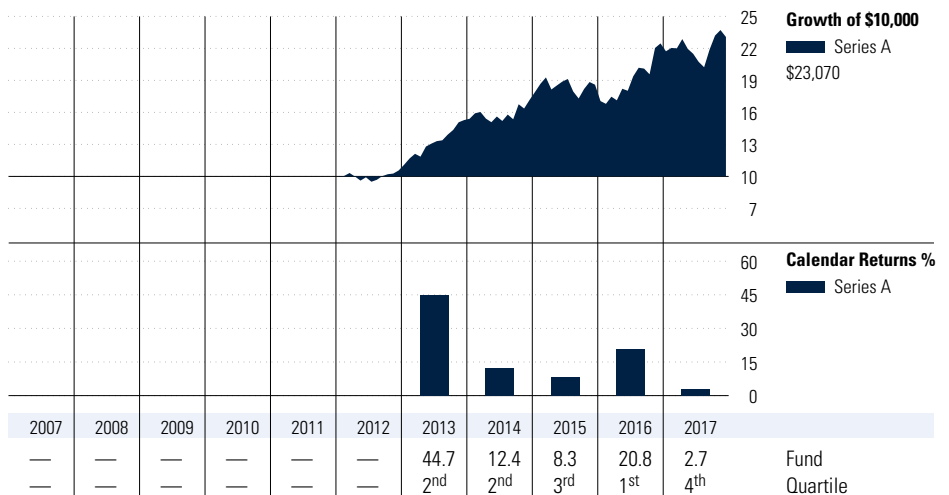
Equity Statistics

P/B Ratio	2.5
P/E Ratio	18.8
Avg. Mkt Cap. \$B	2.1

Global Equity Sectors

	% Equity
Industrials	28.8
Consumer Discretionary	21.8
Financials	18.0
Information Technology	11.0
Health Care	7.3
Materials	5.0
Energy	4.2
Telecommunication Services	1.4
Utilities	1.3
Real Estate	0.9
Consumer Staples	0.3
Unclassified	0.0

Performance Analysis as of December 31, 2017



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trading Return %
Fund	-2.7	5.4	7.3	2.7	10.3	16.9	—	15.1	Fund
Quartile	3 rd	2 nd	2 nd	4 th	2 nd	2 nd	—	—	Quartile
No. of Funds in Category	291	269	262	250	170	100	53	—	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 December 31, 2017

Distributions (\$)/Unit	2017*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
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	8-2017	8.6	8-2017	15.9	—	—
Average		17.9		16.0		17.1		—
No. of Periods		60		36		12		—
Pct. Positive		90.0		100.0		100.0		—

* Final distribution attribution (interest, dividends, capital gains and return of capital) for 2017 will be reflected with January month-end profiles.

Quarterly Commentary as at December 31, 2017

The major story of the fourth quarter 2017 was the passage of the Tax Reform Bill – the largest overhaul of the U.S. tax system in more than 30 years, and the Republican Party’s first major legislative win under President Trump. The ~\$1.5T plan, which goes into effect in 2018, will cut the corporate tax rate from 35% to 21%. While the late quarter passage of the bill ultimately limited its impact on market returns in the 4th quarter, the anticipation and subsequent passage of this bill along with continued strong economic data helped infuse the markets with optimism heading into year-end.

The Fund’s outperformance was driven by both favorable stock selection and sector allocation decisions. Favorable stock selection in the Industrials and Information Technology sectors more than outweighed adverse selection in the Consumer Discretionary and Energy sectors. The

Fund’s significant overweight to the economically sensitive Industrials and Consumer Discretionary sectors added the most to performance from a sector allocation standpoint.

The Fund 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, and the strategy remains positioned for economic recovery. Downside protection is provided by the superior return on equity and balance sheet profile of the Fund compared to the index and the market leadership positions of most portfolio companies.



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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 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 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 December 31, 2017.

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