



RBC Target 2020 Education Fund

Investment Objective

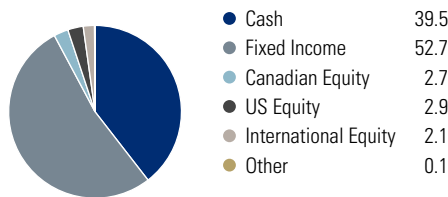
This fund is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for the purpose of funding a post-secondary education that commences around 2020. The fund gradually shifts its asset mix from an emphasis on equity funds, in its early years, to an emphasis on money market funds as its "target" date (2020) approaches. Over the life of the fund, its portfolio will shift from a focus on funds with growth potential to a focus on funds that will preserve capital.

Fund Details

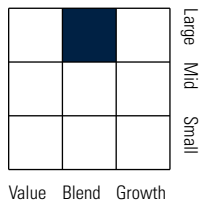
Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF585
Inception Date		August 2004	
Total Fund Assets \$Mil		885.6	
Series A NAV \$		11.98	
Series A MER %		1.62	
Benchmark		55.2% FTSE TMX CUB 36.8% FTSE TMX Canada 30 Day T-Bill Index 2.9% S&P/TSX Capped Composite Total Return 2.9% S&P 500 Total Return (C\$) 1.8% MSCI EAFE Total Return Net (C\$) 0.4% MSCI Emerging Markets Total Return (C\$)	
Income Distribution		Annually	
Capital Gains Distribution		Annually	
Sales Status		Open	
Min. Investment \$		500	
Subsequent Investment \$		25	
Fund Category		Short-term Target Date Portfolio	
Management Company		RBC Global Asset Management Inc.	
Web Site		www.rbcgam.com	

Portfolio Analysis as of June 30, 2018

Asset Mix



Equity Style



Top 5 Sectors

Sector	% Equity
Financials	23.6
Information Technology	13.6
Industrials	11.2
Consumer Discretionary	10.4
Energy	10.3

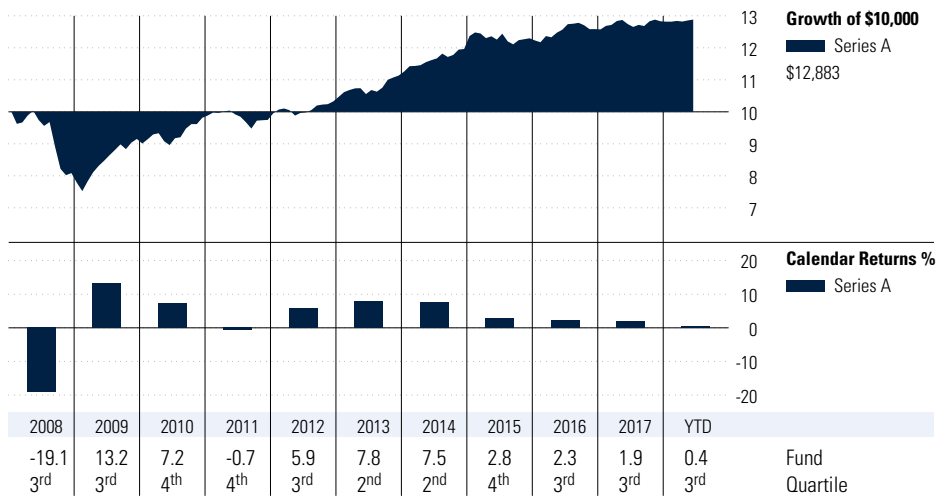
Fixed Income Breakdown

Category	% Fixed Income
Government Bonds	33.6
Corporate Bonds	20.4
Other Bonds	1.1
Mortgage Backed Securities	1.1
ST Investments (Cash & Other)	42.9
Asset Backed Securities	1.0

Top 25 Holdings

Holder	% Assets
RBC Canadian Money Market Fund	36.5
RBC Canadian Short -Term Income Fund	31.0
RBC Global Bond Fund	10.0
RBC Bond Fund	6.2
PH&N Short Term Bond & Mortgage Fund	5.0
PH&N Total Return Bond Fund	3.0
RBC Canadian Equity Fund	1.5
RBC European Equity Fund	1.2
RBC QUBE Low Volatility Cdn Equity Fund	0.7
RBC Canadian Dividend Fund	0.7
RBC O'Shaughnessy US Value Fund	0.7
RBC Private US Large Cap Equity Pool	0.6
PH&N US Multi-Style All-Cap Equity Fund	0.6
RBC US Equity Fund	0.6
RBC US Mid-Cap Growth Equity Fund	0.4
RBC Emerging Markets Equity Fund	0.4
RBC Asia Pacific ex-Japan Equity Fund	0.3
RBC Japanese Equity Fund	0.2
Total % of Top 25 Holdings	99.7
Total Number of Portfolio Holdings	19
Total Number of Stock Holdings	1,146
Total Number of Bond Holdings	2,410
Total Number of Other Holdings	198
Total Number of Underlying Holdings	3,754

Performance Analysis as of June 30, 2018



Period	Trailing Return %	Fund Quartile	No. of Funds in Category
1 Mth	0.2	3 rd	48
3 Mth	0.3	4 th	48
6 Mth	0.4	3 rd	48
1 Yr	1.1	3 rd	48
3 Yr	1.7	3 rd	21
5 Yr	4.1	3 rd	19
10 Yr	2.8	3 rd	10
Since Incep.	3.9	—	—



RBC Target 2020 Education Fund

Management Overview

Manager Bios

Sarah Riopelle

RBC Global Asset Management Inc.

Sarah Riopelle is Vice President and Senior Portfolio Manager, Investment Solutions. Sarah began her investment career in 1996. She is a member of the RBC Investment Strategy Committee and is responsible for the firm's Portfolio Solutions. Sarah has a Bachelor of Commerce in Finance and International Management from the University of Ottawa and is a CFA charter holder.

Performance Analysis Cont'd as of June 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.36	0.31	0.42	0.62	0.48	0.19	0.23	0.11	0.17	0.11
Interest	—	0.06	0.11	0.14	0.09	0.11	0.08	0.06	0.07	0.08	0.11
Dividends	—	0.02	0.02	0.03	0.12	0.05	0.06	0.03	0.05	0.04	—
Capital Gains	—	0.29	0.18	0.25	0.41	0.33	0.05	0.13	—	0.05	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2010	21.6	2-2012	10.2	2-2014	8.7	8-2014	4.4
Worst	2-2009	-21.9	2-2009	-6.0	5-2012	-0.5	9-2017	2.4
Average		3.9		3.4		3.6		3.2
No. of Periods		155		131		107		47
Pct. Positive		80.0		78.6		97.2		100.0

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

Quarterly Commentary as at June 30, 2018

The second quarter of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, U.S. economic growth accelerated, while the expansion appeared to slow in Europe and emerging markets.

Global government bonds were mixed, with U.S. Treasuries finishing the period essentially flat while German and Japanese bonds rose. Canadian bonds posted modest gains during the period, as the trade conflict and slowing global growth capped yields on Government of Canada debt. Returns in the fixed-income segment of the portfolio were boosted by the RBC Canadian Short-Term Income Fund and the RBC Bond Fund.

Global equity markets continued to fluctuate in the quarter as the trade conflict moved beyond the U.S. and China to engulf Europe and Canada. Chinese equity prices slumped while Canadian stocks rebounded, supported by rising oil prices. Returns were bolstered by the RBC Canadian Equity Fund and the RBC Canadian Dividend Fund.

Economic growth slowed in the first half of 2018, but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. Corporate earnings continue to rise steadily, which bodes well for stocks.



RBC Target 2020 Education 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 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 full year period, April 1, 2017 to March 31, 2018.

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 June 30, 2018.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2018