



RBC Target 2020 Education Fund

Investment Objective

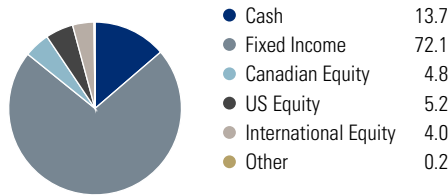
This fund is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for the purpose of funding a post-secondary education that commences around 2020. The fund gradually shifts its asset mix from an emphasis on equity funds, in its early years, to an 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

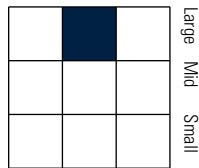
Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF585
Inception Date		August 2004	
Total Fund Assets \$Mil		887.8	
Series A NAV \$		11.93	
Series A MER %		1.62	
Benchmark		55.2% FTSE TMX CUB 36.8% FTSE TMX Canada 30 Day T-Bill Index 2.9% S&P/TSX Capped Composite Total Return 2.9% S&P 500 Total 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 December 31, 2017

Asset Mix



Equity Style



Value Blend Growth

Statistics

P/B Ratio	2.4
P/E Ratio	18.1
Avg. Mkt Cap. \$B	40.9

Top 5 Sectors

Sector	% Equity
Financials	23.5
Information Technology	13.6
Consumer Discretionary	11.2
Industrials	11.0
Energy	9.4

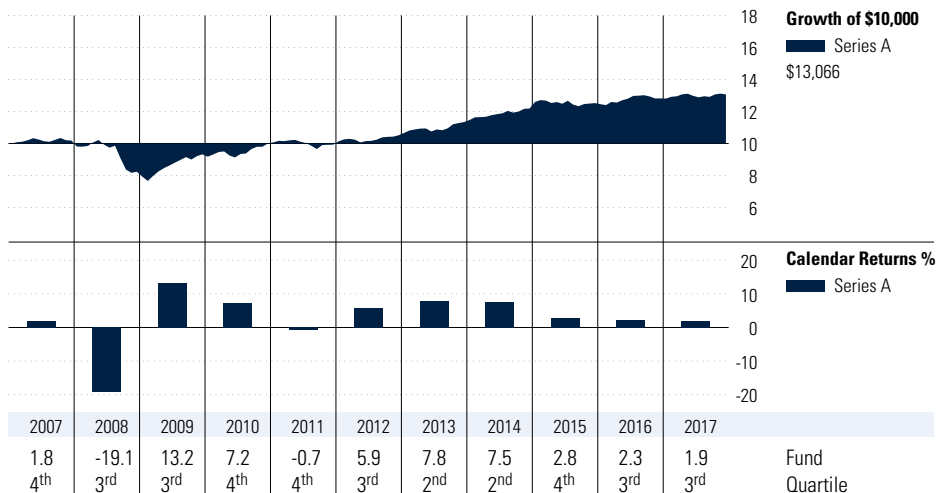
Fixed Income Breakdown

Category	% Fixed Income
Government Bonds	50.4
Corporate Bonds	29.6
Other Bonds	1.2
Mortgage Backed Securities	1.3
ST Investments (Cash & Other)	15.9
Asset Backed Securities	1.5

Top 25 Holdings

Holder	% Assets
RBC Canadian Short -Term Income Fund	35.8
RBC Global Bond Fund	15.0
RBC Bond Fund	14.2
RBC Canadian Money Market Fund	12.2
PH&N Short Term Bond & Mortgage Fund	5.0
PH&N Total Return Bond Fund	3.0
RBC Canadian Equity Fund	2.5
RBC European Equity Fund	2.0
RBC O'Shaughnessy US Value Fund	1.4
RBC Canadian Dividend Fund	1.3
RBC QUBE Low Volatility Cdn Equity Fund	1.3
PH&N US Multi-Style All-Cap Equity Fund	1.0
RBC Private US Large Cap Equity Pool	1.0
RBC US Equity Fund	1.0
RBC Emerging Markets Equity Fund	0.9
RBC US Mid-Cap Growth Equity Fund	0.8
RBC Asia Pacific ex-Japan Equity Fund	0.6
RBC Japanese Equity Fund	0.4
Total % of Top 25 Holdings	99.5
Total Number of Portfolio Holdings	19
Total Number of Stock Holdings	2,955
Total Number of Bond Holdings	2,492
Total Number of Other Holdings	199
Total Number of Underlying Holdings	5,646

Performance Analysis as of December 31, 2017



Period	Trailing Return %	No. of Funds in Category
1 Mth	-0.4	48
3 Mth	1.2	48
6 Mth	0.7	48
1 Yr	1.9	47
3 Yr	2.4	21
5 Yr	4.4	19
10 Yr	2.5	10
Since Incep.	4.0	—



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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 charterholder.

Performance Analysis Cont'd as of December 31, 2017

Distributions (\$)/Unit	2017*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.36	0.31	0.42	0.62	0.48	0.19	0.23	0.11	0.17	0.11	0.44
Interest	0.07	0.11	0.14	0.09	0.11	0.08	0.06	0.07	0.08	0.11	0.16
Dividends	—	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	—	0.28
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		4.0		3.5		3.6		3.3
No. of Periods		149		125		101		41
Pct. Positive		80.5		77.6		97.0		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 global economy is running at the fastest clip in seven years supported by an increasingly broad-based expansion, favourable financial conditions and optimism among businesses and consumers. As a result, we nudged our global growth forecasts higher for 2018 and expect firming inflation. Our forecasts for growth and inflation are slightly above consensus.

Bonds issued by national governments posted modest returns in the fourth quarter of 2017 as inflation remained subdued and several major central banks extended bond-buying programs designed to hold down longer-term yields. Longer-maturity bonds outperformed short-dated securities on expectations that central banks will push up benchmark interest rates. The portfolio's fixed-income returns were aided by exposure to RBC Bond Fund, RBC Global Bond Fund and RBC Canadian Short-Term Income Fund.

Global equities gained in all major regions, benefiting from the synchronized expansion and renewed profit growth. Japanese stocks outperformed on fiscal stimulus and pro-growth reforms, while the U.S. rallied on corporate-tax cuts. Europe and Canada gained too, but underperformed given their lower exposure to technology. Equity performance was boosted by investments in RBC O'Shaughnessy U.S. Value Fund, RBC Canadian Equity Fund and RBC Private U.S. Large Cap Core Equity Pool.

We expect bond yields to move higher at a gradual pace, supported by the improving economy and monetary tightening. Meanwhile, earnings have been coming through and analysts are optimistic that the trend can persist. U.S. corporate-tax cuts could provide an additional boost to profits. Against this backdrop, equities continue to offer modest total-return potential.



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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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