



# RBC U.S. Dividend Fund

## Investment Objective

To achieve long-term capital growth and regular dividend income by investing primarily in common and preferred securities of U.S. companies with above average dividend yields.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF590
A	No Load	USD	RBF541
Adv T5	Front End	CAD	RBF6539
Adv T5	Low Load	CAD	RBF4539
Adv	Deferred Sales	CAD	RBF802
Adv	Front End	CAD	RBF702
Adv	Low Load	CAD	RBF129
Adv	Front End	USD	RBF734
Adv	Low Load	USD	RBF4541
T5	No Load	CAD	RBF539
T8	No Load	CAD	RBF599

Inception Date	July 2006
Total Fund Assets \$Mil	3,741.3
Series A NAV \$	26.29
Series A MER %	2.00
Series A Adjusted MER %	1.92
Benchmark	S&P 500 Total Return Index (C\$)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

Fund Category	US 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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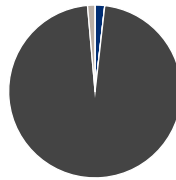
## Notes

The fund's investment objective changed November 28, 2011.

Performance Analysis is in CAD and for CAD series A fund (RBF590).

## Portfolio Analysis as of June 30, 2017

### Asset Mix

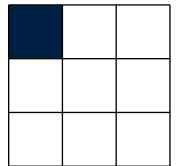


	% Assets
Cash	1.8
Fixed Income	0.0
Canadian Equity	0.0
US Equity	96.8
International Equity	1.4
Other	0.0

### Top 25 Holdings

	% Assets
Apple Inc	4.0
Microsoft Corp	3.2
JPMorgan Chase & Co	3.0
Johnson & Johnson	2.9
Philip Morris International Inc	2.8
Bank of America Corporation	2.5
PepsiCo Inc	2.5
Chevron Corp	2.4
Citigroup Inc	2.1
Altria Group Inc	2.0
CVS Health Corp	2.0
Merck & Co Inc	2.0
Cisco Systems Inc	1.9
McDonald's Corp	1.9
UnitedHealth Group Inc	1.8
Cardinal Health Inc	1.7
LyondellBasell Industries NV	1.6
Delphi Automotive PLC	1.6
Pfizer Inc	1.6
Comcast Corp Class A	1.5
Oracle Corp	1.5
Intel Corp	1.5
Dow Chemical Co	1.4
Broadcom Ltd	1.4
Boeing Co	1.4
Total % of Top 25 Holdings	52.1
Total Number of Stock Holdings	212
Total Number of Bond Holdings	0
Total Number of Other Holdings	2
<b>Total Number of Holdings</b>	<b>214</b>

### Equity Style



Value Blend Growth

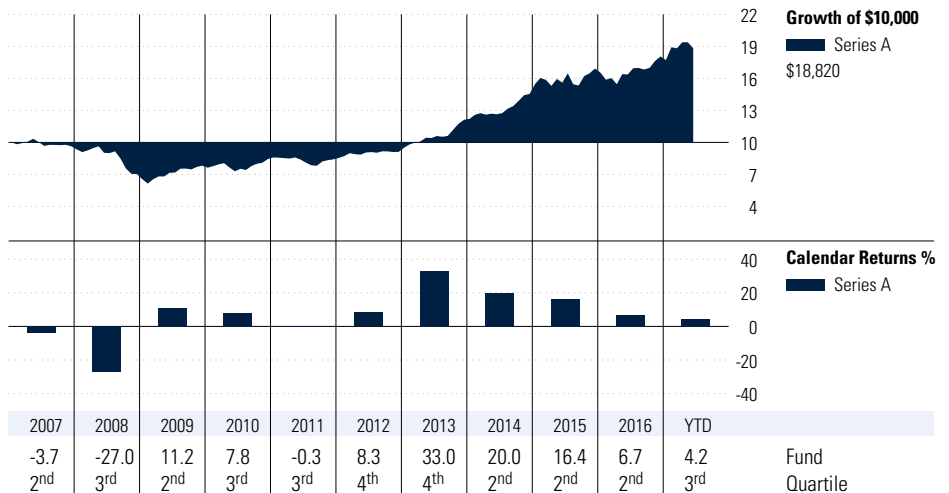
### Equity Statistics

P/B Ratio	2.4
P/E Ratio	18.1
Avg. Mkt Cap. \$B	133.5

### Global Equity Sectors

	% Equity
Information Technology	17.1
Financials	16.8
Health Care	14.7
Consumer Staples	11.2
Industrials	11.1
Consumer Discretionary	10.8
Energy	7.8
Utilities	3.1
Materials	3.0
Real Estate	2.6
Telecommunication Services	1.8
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.	<b>Trading Return %</b>
	-2.9	0.0	4.2	15.0	14.2	15.8	6.5	7.1	Fund
	3 <sup>rd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	—	Quartile
	1396	1362	1334	1259	871	482	213	—	No. of Funds in Category



# RBC U.S. Dividend Fund

## Management Overview

### Manager Bios

**Brad Willock**

**RBC Global Asset Management Inc.**

Brad Willock joined RBC in May 1996 and RBC Global Asset Management in July 2002. In his current role, he is responsible for core and income-oriented U.S. equity mandates. Brad has a Bachelor of Commerce and a Bachelor of Science, and is a CFA charterholder.

### Performance Analysis Cont'd as of June 30, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.06	0.39	1.10	2.46	0.63	0.10	—	0.01	0.07	0.17	1.12
Interest	0.06	0.11	0.01	0.02	0.09	0.09	—	0.01	0.01	0.05	0.04
Dividends	—	—	—	—	—	0.01	—	—	0.06	0.12	0.12
Capital Gains	—	0.28	1.08	2.44	0.55	—	—	—	—	—	0.95
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2013	33.0	12-2015	22.9	5-2017	17.0	2-2017	6.8
Worst	2-2009	-32.5	6-2010	-10.1	9-2011	-3.4	1-2017	5.9
Average		7.4		9.4		9.7		6.3
No. of Periods		120		96		72		12
Pct. Positive		77.5		71.9		75.0		100.0

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

### Quarterly Commentary as at June 30, 2017

The U.S. stock market continued to move higher in Q2, extending the rally that began in early 2016. The quarter featured some deterioration in the economic data in the U.S. which led to lower interest rates, flatter yield curves, a drop in oil prices and a decline in the U.S. dollar. Despite the weaker than expected economic data, corporate earnings results came in ahead of expectations with Q1 earnings rising over 14% versus a year ago. The growth rate of the aggregate dividend for the S&P 500 was 7.4%, a very solid result.

Telecommunication Services was the worst performing sector during the period as competitive pressures weighed on the results of all the carriers. Energy was the second worst sector due to continued weakness in the oil price. Investor sentiment toward the group is brutal as OPEC's production cut appears to be ineffective and the productivity improvements of U.S. shale producers continue to surprise on the upside. An overweight

in Energy detracted from performance, however it was partially offset by overweight positions in Health Care, Industrials and Financials, the top three performers during the quarter.

In our view, recent economic data suggests the global economy is still expanding, slowly and from a low level. Earnings growth turned positive in Q3 last year and we expect further earnings improvements to drive markets higher in 2017. If the Trump administration enacts protectionist trade policies, we would expect corporate earnings to weaken and the stock market to come under pressure. Prospects for major tax reform and a huge infrastructure bill seem remote so we are not factoring these outcomes into our base case. We expect significant regulatory changes, particularly in the Energy and Financials sectors, and cash repatriation to provide support for growth in 2018.



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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](http://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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