

PH&N Canadian Money Market Fund

Investment Objective

To provide a steady level of current income while preserving capital by investing in a well-diversified portfolio of short-term Canadian money market securities.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF7120
Adv	Front End	CAD	RBF6120
Adv	Low Load	CAD	RBF4120

Inception Date	November 2008
Total Fund Assets \$Mil	1,565.0
Series A Current Yield%	0.71
Series A MER %	0.54
Benchmark	FTSE TMX Canada 30 Day T-Bill Index

Income Distribution	Monthly
Capital Gains Distribution	N/A

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

Fund Category	Canadian Money Market
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Management Company	RBC Global Asset Management Inc.
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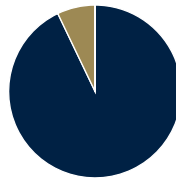
Web Site	www.rbcgam.com
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Notes

The current yield is an annualized yield based on the seven day period ended on September 30, 2017 and does not represent an actual one year return.

Portfolio Analysis as of September 30, 2017

Asset Mix



	% Assets
Cash	92.9
Fixed Income	7.1
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

Term to Maturity

	%
0 - 30 days	47
31 - 60 days	29
61 - 90 days	14
90 + days	10
Avg. Term to maturity (days)	45

Cash Breakdown

	Cash (%)
Treasury Bills	0.0
Provincial Bills	0.0
Bankers Acceptance	16.3
Commercial Paper	50.0
Bank Deposits	33.7

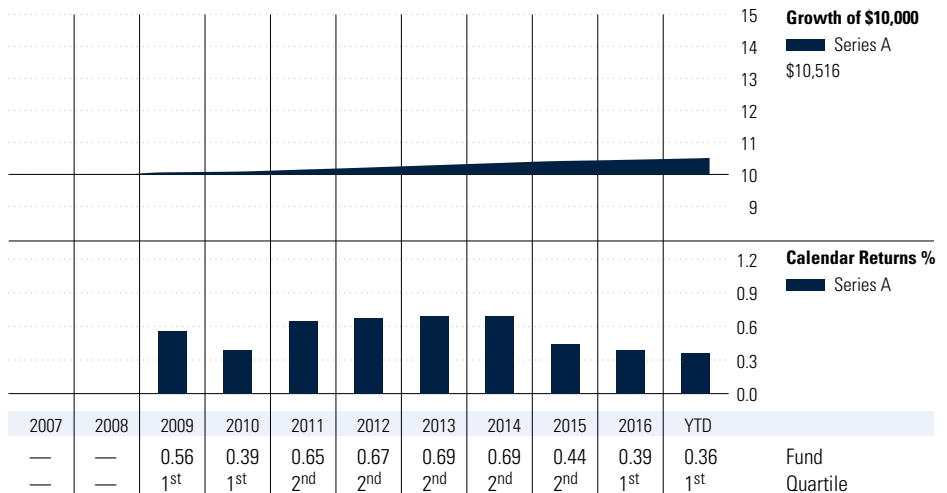
Credit Quality

	%
R1 High	65.8
R1 Medium	10.3
R1 Low	23.9
Avg. Rating	R1H

Top 25 Holdings

	% Assets
Westcoast Energy Inc. 1.336% 13-10-2017	2.5
Central 1 Credit Union 1.282% 10-11-2017	2.0
Enbridge Pipelines 1.346% 18-10-2017	1.9
Husky Energy Inc. 1.220% 13-10-2017	1.9
Altalink Lp 1.281% 30-10-2017	1.9
Nissan Canada Fin Serv 1.253% 10-10-2017	1.7
Safe Trust 1.145% 22-11-2017	1.7
Sure Trust 1.261% 03-11-2017	1.7
Ridge Trust 1.421% 16-02-2018	1.5
Merit Trust 1.197% 02-10-2017	1.4
Prime Trust 1.231% 24-10-2017	1.3
Hsbc Bank Canada 1.182% 02-10-2017	1.3
Sound Trust 1.271% 08-11-2017	1.3
King Street Funding Tr 1.449% 08-12-2017	1.3
Canadian Master Tr 1.209% 02-10-2017	1.2
CIBC 1.158% 20-10-2017	1.2
National Bk Of Canada 1.530% 09-08-2018	1.2
Tmx Group Ltd. 1.275% 07-11-2017	1.2
Hsbc Bank Canada 1.213% 19-10-2017	1.2
Banner Trust 1.271% 01-11-2017	1.1
Central 1 Credit Union 1.323% 16-11-2017	1.1
Zeus Receivables Trust 1.213% 02-10-2017	1.1
Banner Trust 1.229% 13-10-2017	1.1
Central 1 Credit Union 1.176% 16-10-2017	1.0
Banner Trust 1.150% 14-11-2017	1.0
Total % of Top 25 Holdings	35.9
Total Number of Stock Holdings	0
Total Number of Bond Holdings	12
Total Number of Other Holdings	155
Total Number of Holdings	167

Performance Analysis as of September 30, 2017



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	0.06	0.14	0.25	0.46	0.46	0.55	—	0.57	Fund
	1st	1st	1st	1st	1st	1st	—	—	Quartile
	223	222	218	216	189	170	115	—	No. of Funds in Category

PH&N Canadian Money Market Fund

Management Overview

Manager Bios

PH&N Fixed Income Team

With one of the largest bond desks in Canada consisting of over 30 investment professionals, Phillips, Hager & North Investment Management (PH&N IM) has been managing bonds since 1970 and currently manages fixed income portfolios according to strict quality and diversification guidelines. PH&N IM's strengths as a bond manager are directly related to its depth of resources – both people and technology – dedicated to the management of fixed income portfolios.

Performance Analysis Cont'd as of September 30, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.04	0.04	0.04	0.07	0.07	0.07	0.06	0.04	0.06	0.03	—
Interest	0.04	0.04	0.04	0.07	0.07	0.07	0.06	0.04	0.06	0.03	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	11-2009	0.74	1-2015	0.69	7-2015	0.65	—	—
Worst	5-2010	0.19	9-2017	0.46	9-2017	0.55	—	—
Average		0.54		0.59		0.60		
No. of Periods		95		71		47		
Pct. Positive		100.00		100.00		100.00		

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

Quarterly Commentary as at September 30, 2017

The Bank of Canada (BoC) increased its overnight rate this quarter, marking the first time in about seven years. In fact, at both meetings that took place during the quarter, the BoC increased its policy rate to have the overnight rate sit at 1.0%, fully reversing the 2015 rate cuts made in response to the oil price shock. While July's increase was well signalled by the BoC, the September rate increase surprised markets, which expected an increase in October or December instead. The BoC also highlighted its data-dependent nature for future policy rate decisions. As a result, Canadian short-term interest rates moved markedly higher. Looking forward, we anticipate short-term interest rates in Canada will move higher in line with market expectations of further rate hikes by the BoC as it heads toward a more normal monetary policy rate. Investors looking for healthier returns on their savings

should welcome this development.

PH&N Canadian Money Market Fund's strategy going forward continues to focus on preserving capital while maximizing yield by investing in high-quality securities that pay an incremental yield over and above what is available from Government of Canada Treasury Bills. To this end, the Fund is fully invested in corporate securities such as asset-backed commercial paper, bankers' acceptances and commercial paper of high-quality corporate borrowers. Additionally, the Fund has maintained a slightly longer-than-neutral average term to maturity to capture the attractive additional yield that exists further out the yield curve. As always, we do not compromise the Fund's primary objective of safety of capital in its pursuit of earning a decent level of interest.

PH&N Canadian Money Market 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 fund securities are not guaranteed or covered by the Canada 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 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 September 30, 2017.

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