

# PH&N Global Equity Fund

## Investment Objective

To achieve long-term capital growth by investing primarily in a diversified portfolio of common stocks in companies in the world's largest industrialized countries outside Canada, including the United States, and countries in Europe and the Far East, including Japan and Australia.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF7370
Adv	Front End	CAD	RBF6370
Adv	Low Load	CAD	RBF4370

Inception Date	November 2008
Total Fund Assets \$Mil	251.5
Series A NAV \$	17.85
Series A MER %	2.05
Benchmark	MSCI World Total Return Net Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

Fund Category	Global Equity
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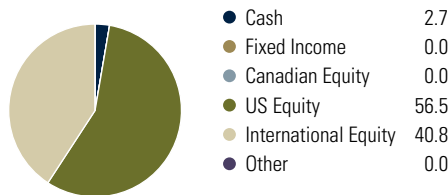
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

## Notes

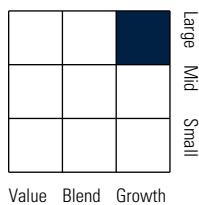
Fund's sub-advisor changed effective mid-August 2014.

## Portfolio Analysis as of December 31, 2017

### Asset Mix



### Equity Style



### Top 5 Sectors

Sector	% Equity
Financials	22.0
Information Technology	17.3
Consumer Discretionary	15.8
Health Care	12.8
Industrials	12.0

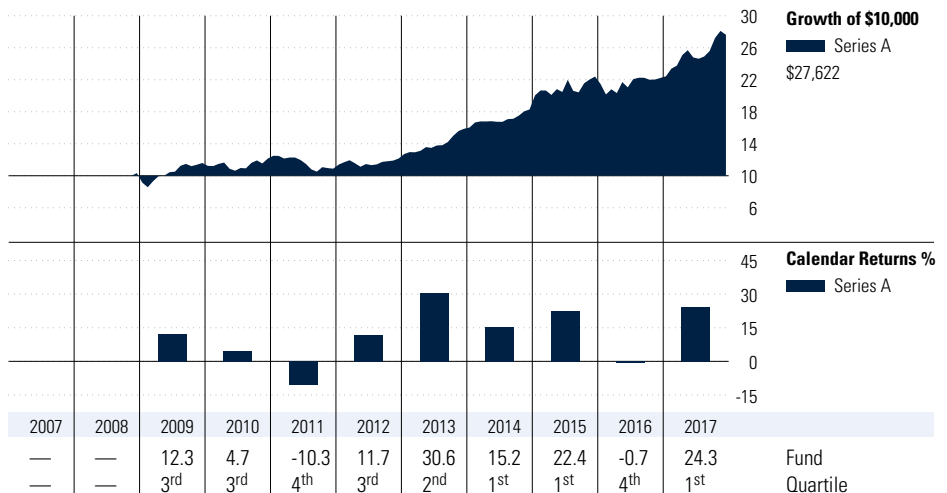
### Geographic Allocations

Region	% Assets
United States	58.0
United Kingdom	9.8
Switzerland	4.7
Japan	4.5
India	4.4

### Top 25 Holdings

Company	% Assets
EOG Resources Inc	4.8
UnitedHealth Group Inc	4.6
Roche Holding AG Dividend Right Cert.	4.6
The Estee Lauder Companies Inc Class A	4.5
Nidec Corp	4.3
HDFC Bank Ltd ADR	4.2
Fortive Corp	3.8
TJX Companies Inc	3.7
Deutsche Post AG	3.5
Intuit Inc	3.5
First Republic Bank	3.5
Danaher Corp	3.3
SVB Financial Group	3.3
Unilever NV DR	3.2
InterContinental Hotels Group PLC	3.1
Blackstone Group LP	3.1
Taiwan Semiconductor Manufacturing ADR	3.0
Naspers Ltd Class N	2.9
Anheuser-Busch InBev SA/NV	2.9
Paddy Power Betfair PLC	2.9
Microsoft Corp	2.8
Alphabet Inc A	2.8
Amazon.com Inc	2.7
Gartner Inc A	2.6
AIA Group Ltd	2.5
Total % of Top 25 Holdings	86.1
Total Number of Portfolio Holdings	34
Total Number of Stock Holdings	33
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Underlying Holdings</b>	<b>34</b>

## Performance Analysis as of December 31, 2017



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
-1.7	8.0	11.4	24.3	14.7	17.8	—	11.8	Fund
	3 <sup>rd</sup>	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>	—	—	Quartile
1762	1674	1649	1525	1034	748	363	—	No. of Funds in Category

# PH&N Global Equity Fund

## Management Overview

### Manager Bios

#### Habib Subjally

#### RBC Global Asset Management (UK) Limited

Habib has served as Head of Global Equities and leader of this team since 2006. Prior to that, he held positions at Credit Suisse (Head of Small & Mid Cap Research), Invesco (Head of Global Equities), Merrill Lynch Investment Managers (Head of North American and Global Equities Research, and Manager, Mercury Global Titans Fund) and Ernst & Young. Habib holds a BSc (Hons) from the London School of Economics and the Chartered Accountant and ASIP designations.

### Performance Analysis Cont'd as of December 31, 2017

Distributions (\$)/Unit	2017*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	—	—	—	—	0.06	0.06	0.23	0.03	0.08	0.02	—
Interest	—	—	—	—	0.06	0.06	0.23	0.03	0.08	0.02	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	7-2015	31.4	7-2015	24.8	11-2017	18.8	—	—
Worst	12-2011	-10.3	8-2012	0.5	9-2014	8.3	—	—
Average		12.4		12.8		13.3		—
No. of Periods		98		74		50		—
Pct. Positive		84.7		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

South African media conglomerate, Naspers, was the biggest contributor to Fund returns over the period. The company benefited from strong underlying performance of its stake in Tencent Holdings Ltd. while Naspers' aim to get more value from its entire portfolio was also supportive. U.S. cosmetics producer, the Estée Lauder Companies Inc., was also positive for returns, as the company posted some healthy numbers in 2017 and performed especially well in Asia. U.S. financial institution, SVB Financial Group, performed strongly against a domestic backdrop of economic optimism, interest-rate rises and tax reform.

The biggest detractor from returns over the quarter was U.S. bank, First Republic, which has experienced the detrimental effects of rising costs and competition on 2017 earnings. Global brewer, Anheuser-Busch InBev SA/NV, has seen a slight decline in U.S. beer volumes and suffered supply disruptions in its largest market, the United States, as a result of the hurricanes in 2017. Anglo-Dutch consumer stock, Unilever, fell in October after Q3

sales missed estimates and the company sold its spreads division.

All major economies performed strongly over the quarter, with growth and inflation returning. The Trump regime appears to have settled and the first pieces of meaningful legislation have emerged. Despite signs of discontent, the political unrest predicted at the end of 2016 has failed to materialize. Technical factors are also in the frame and, with so much of the market now held passively, there is little price discovery and concomitant volatility in equity prices. A weak U.S. dollar has also helped the global economic expansion.

As always, our team remains committed to discovering companies we deem to be future success stories. We are constantly searching for compelling long-term opportunities at the right valuations while avoiding businesses that are overvalued or optically cheap, but fundamentally flawed.

## PH&N Global Equity 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, 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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