

# PH&N U.S. Multi-Style All-Cap Equity Fund

## Investment Objective

The fundamental investment objective of the Fund is to provide long-term capital growth primarily through exposure to a well-diversified portfolio of U.S. equity securities.

## Fund Details

| Series | Load Structure | Currency | Fund Code |
|--------|----------------|----------|-----------|
| A      | No Load        | CAD      | RBF7380   |
| Adv    | Front End      | CAD      | RBF6380   |
| Adv    | Low Load       | CAD      | RBF4380   |

|                         |                                       |
|-------------------------|---------------------------------------|
| Inception Date          | June 2010                             |
| Total Fund Assets \$Mil | 4,957.8                               |
| Series A NAV \$         | 17.07                                 |
| Series A MER %          | 1.93                                  |
| Series A Adjusted MER % | 1.85                                  |
| Benchmark               | Russell 3000 Total Return Index (C\$) |

|                            |          |
|----------------------------|----------|
| Income Distribution        | Annually |
| Capital Gains Distribution | Annually |

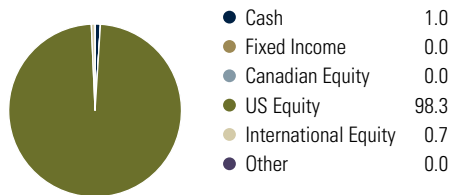
|                          |      |
|--------------------------|------|
| Sales Status             | Open |
| Min. Investment \$       | 500  |
| Subsequent Investment \$ | 25   |

|               |           |
|---------------|-----------|
| Fund Category | US Equity |
|---------------|-----------|

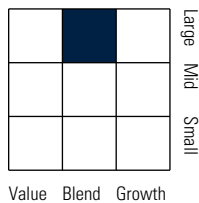
|                    |                                  |
|--------------------|----------------------------------|
| Management Company | RBC Global Asset Management Inc. |
| Web Site           | www.rbcgam.com                   |

## Portfolio Analysis as of June 30, 2017

### Asset Mix



### Equity Style



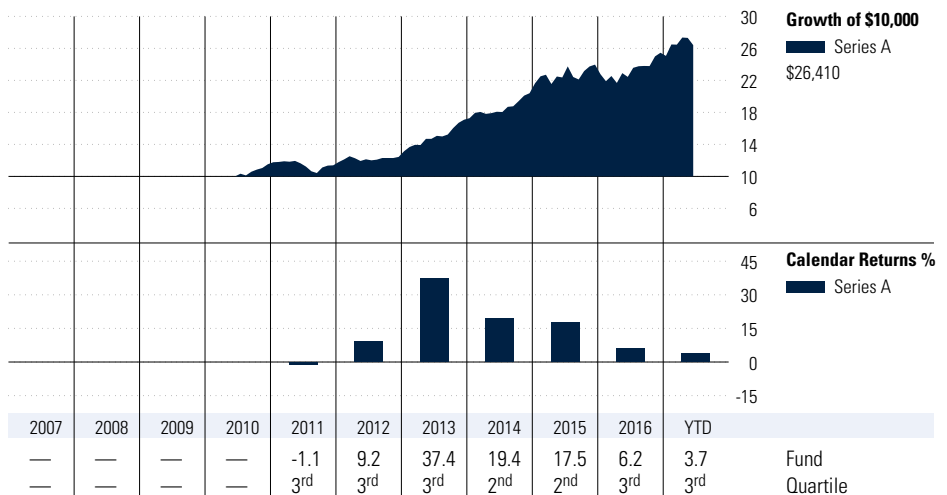
### Global Equity Sectors

| Sector                     | % Equity |
|----------------------------|----------|
| Information Technology     | 22.7     |
| Financials                 | 15.7     |
| Health Care                | 12.9     |
| Consumer Discretionary     | 12.8     |
| Industrials                | 11.7     |
| Consumer Staples           | 8.1      |
| Energy                     | 5.5      |
| Utilities                  | 3.8      |
| Real Estate                | 3.0      |
| Materials                  | 2.4      |
| Telecommunication Services | 1.5      |
| Unclassified               | 0.0      |

### Top 25 Holdings

| Company                              | % Assets   |
|--------------------------------------|------------|
| Apple Inc                            | 2.9        |
| Microsoft Corp                       | 2.8        |
| Johnson & Johnson                    | 2.1        |
| Exxon Mobil Corp                     | 1.5        |
| Bank of America Corporation          | 1.4        |
| Comcast Corp Class A                 | 1.4        |
| Boeing Co                            | 1.4        |
| Facebook Inc A                       | 1.3        |
| Citigroup Inc                        | 1.3        |
| JPMorgan Chase & Co                  | 1.3        |
| Wal-Mart Stores Inc                  | 1.2        |
| Amazon.com Inc                       | 1.2        |
| Alphabet Inc C                       | 1.2        |
| The Home Depot Inc                   | 1.1        |
| International Business Machines Corp | 1.1        |
| Procter & Gamble Co                  | 0.9        |
| Merck & Co Inc                       | 0.9        |
| Cisco Systems Inc                    | 0.9        |
| Gilead Sciences Inc                  | 0.9        |
| AT&T Inc                             | 0.8        |
| Berkshire Hathaway Inc B             | 0.8        |
| Alphabet Inc A                       | 0.8        |
| Goldman Sachs Group Inc              | 0.8        |
| AbbVie Inc                           | 0.7        |
| Applied Materials Inc                | 0.7        |
| Total % of Top 25 Holdings           | 31.1       |
| Total Number of Stock Holdings       | 616        |
| Total Number of Bond Holdings        | 0          |
| Total Number of Other Holdings       | 1          |
| <b>Total Number of Holdings</b>      | <b>617</b> |

## Performance Analysis as of June 30, 2017



| 1 Mth           | 3 Mth           | 6 Mth           | 1 Yr            | 3 Yr            | 5 Yr            | 10 Yr | Since Incep. | Trailing Return %        |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------|--------------|--------------------------|
| -3.3            | -0.2            | 3.7             | 17.7            | 13.5            | 16.8            | —     | 14.9         | Fund                     |
| 3 <sup>rd</sup> | 3 <sup>rd</sup> | 3 <sup>rd</sup> | 2 <sup>nd</sup> | 2 <sup>nd</sup> | 2 <sup>nd</sup> | —     | —            | Quartile                 |
| 1396            | 1362            | 1334            | 1259            | 871             | 482             | 213   | —            | No. of Funds in Category |

# PH&N U.S. Multi-Style All-Cap Equity 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 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     | —    | 0.59 | 1.50 | 1.96 | 1.43 | 0.83 | —    | —    | —    | —    | —    |
| Interest                | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |
| Dividends               | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |
| Capital Gains           | —    | 0.59 | 1.50 | 1.96 | 1.43 | 0.83 | —    | —    | —    | —    | —    |
| Return Of Capital       | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |

| Best/Worst Periods % | Ended   | 1 Yr | Ended  | 3 Yr  | Ended  | 5 Yr  | Ended | 10 Yr |
|----------------------|---------|------|--------|-------|--------|-------|-------|-------|
| Best                 | 12-2013 | 37.4 | 7-2015 | 25.5  | 7-2015 | 18.1  | —     | —     |
| Worst                | 2-2016  | -2.7 | 9-2013 | 12.9  | 4-2016 | 12.9  | —     | —     |
| Average              |         | 15.0 |        | 17.7  |        | 16.2  |       | —     |
| No. of Periods       |         | 73   |        | 49    |        | 25    |       | —     |
| Pct. Positive        |         | 91.8 |        | 100.0 |        | 100.0 |       | —     |

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

### Quarterly Commentary as at June 30, 2017

U.S. stocks rose, despite some deterioration in U.S. economic data, amid robust earnings growth. The strong macroeconomic backdrop overcame dwindling prospects for President Trump's promised tax reforms, higher infrastructure spending and regulatory rollbacks. The expanding economy led the U.S. Federal Reserve (Fed) to raise interest rates during the period, and it has boosted the benchmark rate twice in the past six months. The Fed also said it plans to begin reducing its US\$4.5 trillion balance sheet, a further sign that the U.S. central bank is abandoning the extraordinary economic stimulus that has been in place since the financial crisis.

The Fund underperformed its benchmark, the Russell 3000 Index, during the period. The

portfolio's Large Cap and Mid Cap Value sleeves detracted from returns, offset by the Large Cap and Mid Cap Growth strategies. The Fund's Small Cap components were a drag on performance.

The portfolio manager is budgeting for a bit faster global economic growth over the next few years than has been the case in the past. Recent data suggests the global economy is still expanding, slowly and from a low level. Credit conditions remain highly supportive of the economy and the market, and risks of a recession in the U.S. appear low. Profit growth is recovering from a two-year decline and, if earnings continue to rise as analysts expect, the total-return potential for stocks remains quite positive.

## PH&N U.S. Multi-Style All-Cap 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 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, 2017 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 May 31, 2017.

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