

PH&N \$U.S. Money Market Fund

Investment Objective

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

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	USD	RBF7500
Adv	Front End	USD	RBF6500
Adv	Low Load	USD	RBF4500

Inception Date	November 2008
Total Fund Assets \$Mil	73.3
Series A Current Yield%	1.57
Series A MER %	0.27
Benchmark	FTSE 30-Day T-Bill Index

Income Distribution	Monthly
Capital Gains Distribution	Annually

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

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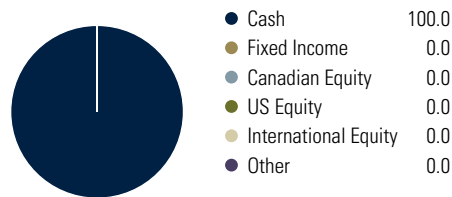
Web Site	www.rbcgam.com
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Notes

The current yield is an annualized yield based on the seven day period ended on March 31, 2018 and does not represent an actual one year return.

Portfolio Analysis as of March 31, 2018

Asset Mix



Term to Maturity

Term	%
0 - 30 days	53
31 - 60 days	32
61 - 90 days	11
90 + days	4
Avg. Term to maturity (days)	35

Cash Breakdown

Instrument	Cash (%)
Treasury Bills	10.1
Provincial Bills	13.9
Bankers Acceptance	23.2
Commercial Paper	41.9
Bank Deposits	10.9

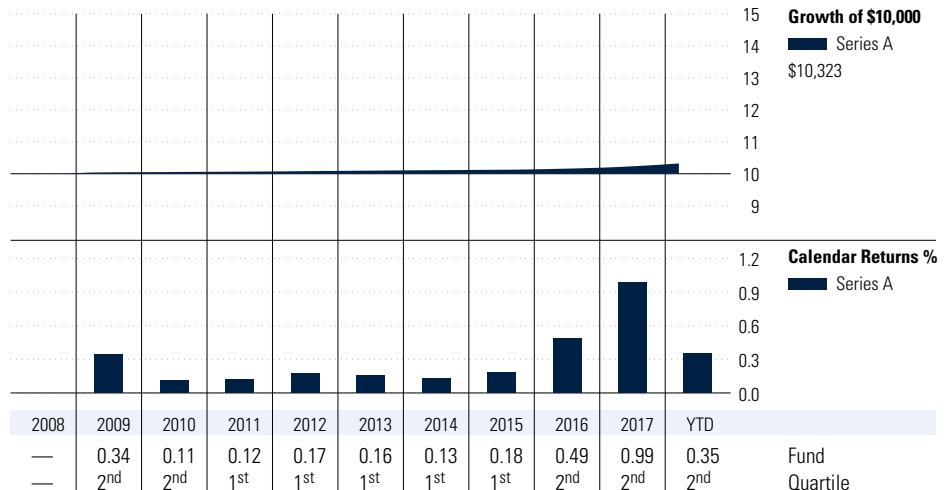
Credit Quality

Rating	%
R1 High	79.2
R1 Medium	13.9
R1 Low	6.8
Avg. Rating	R1H

Top 25 Holdings

Holder	% Assets
Province Of Quebec 1.700% 02-05-2018	12.8
Bank Of Nova Scotia 1.649% 10-04-2018	6.4
Export Development Cda 1.703% 23-04-2018	5.8
CIBC 1.650% 10-04-2018	4.8
Toronto-Dominion Bank 1.650% 10-04-2018	4.7
Bank Of Montreal 1.927% 15-05-2018	4.6
Ridge Trust 2.441% 12-09-2018	4.3
Export Development Cda 2.04% 01-06-2018	4.3
Merit Trust 1.852% 09-04-2018	4.3
Safe Trust - 2.018% 14-05-2018	4.3
Omers Realty Corp. 1.681% 09-04-2018	4.1
Canadian Master Tr 2.020% 14-05-2018	3.4
Fusion Trust 1.789% 05-04-2018	3.0
Banner Trust 1.929% 18-04-2018	2.7
Bank Of Montreal 1.677% 10-04-2018	2.7
Sure Trust 1.861% 07-05-2018	2.7
Clarity Trust 1.910% 14-05-2018	2.7
Tmx Group Ltd. 1.783% 16-04-2018	2.5
Enbridge Pipelines Inc 2.064% 18-04-2018	2.2
Gaz Metro Inc. 1.669% 06-04-2018	2.2
Sound Trust 1.929% 29-05-2018	2.0
Zeus Receivables Tr 2.101% 14-06-2018	1.8
Prime Trust 1.848% 06-04-2018	1.7
Prime Trust - Senior Notes 1.940% (ST)	1.5
Zeus Receivables Tr 1.848% 06-04-2018	1.4
Total % of Top 25 Holdings	92.7
Total Number of Stock Holdings	0
Total Number of Bond Holdings	0
Total Number of Other Holdings	33
Total Number of Holdings	33

Performance Analysis as of March 31, 2018



Period	Trailing Return %	No. of Funds in Category
1 Mth	0.12	38
3 Mth	0.35	38
6 Mth	0.65	37
1 Yr	1.16	35
3 Yr	0.66	27
5 Yr	0.45	27
10 Yr	—	22
Since Incep.	0.34	—

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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 March 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.04	0.10	0.05	0.02	0.01	0.02	0.02	0.01	0.01	0.03	0.02
Interest	0.04	0.10	0.05	0.02	0.01	0.02	0.02	0.01	0.01	0.03	0.02
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	3-2018	1.16	3-2018	0.66	3-2018	0.45	—	—
Worst	8-2011	0.10	6-2012	0.12	8-2014	0.13	—	—
Average		0.27		0.22		0.21		
No. of Periods		101		77		53		
Pct. Positive		100.00		100.00		100.00		

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

Quarterly Commentary as at March 31, 2018

The U.S. Federal Reserve (Fed) continued to raise its policy rate this quarter, increasing the federal funds rate by 0.25% in March to end the quarter at a range of 1.50% to 1.75%. Even with continued strength in U.S. economic data and labour markets, expectations for future moves by the Fed under new Fed Chair, Jerome Powell, remain in line with last year. Overall, the market expects the Fed to maintain a quarterly pace to its policy-rate increases as it moves toward its longer-run policy-rate projection. This means possibly another three hikes through the end of 2018. Overall, as the Fed continues to move toward a more normalized monetary policy, we expect short-term interest rates in the United States to follow suit, which should translate into higher reinvestment rates for investors going forward.

The Fund's strategy going forward remains focused on preserving capital while maximizing yield by investing in high-quality securities that pay an incremental yield over and above what is available from U.S. Government T-bills. To this end, the Fund is predominantly invested in corporate securities, such as asset-backed commercial paper, banker's acceptances as well as commercial paper of high-quality corporate borrowers and, to a lesser extent, the U.S.-denominated debt of Canadian provinces as these securities continue to provide attractive risk-adjusted incremental yield. As always, safety of principal and return of capital is not compromised and remains the primary objective of the Fund.

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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 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.

Phillips, Hager & North Investment Management (PH&N IM) is a division of RBC Global Asset Management Inc. (RBC GAM). RBC GAM is the fund manager and the principal portfolio adviser of PH&N Funds. The principal distributor of PH&N Funds is Phillips, Hager & North Investment Funds Ltd. (PH&NIF), which uses the trade name PH&N

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MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the full year period, January 1 to December 31, 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 March 31, 2018.

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