

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	76.2
Series A Current Yield%	1.08
Series A MER %	0.00
Benchmark	Citigroup 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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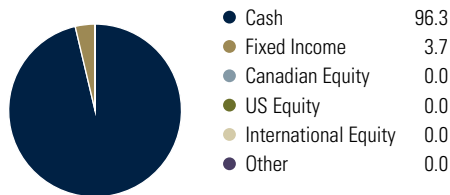
Web Site	www.rbcgam.com
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Notes

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

Portfolio Analysis as of September 30, 2017

Asset Mix



Term to Maturity

Term	%
0 - 30 days	41
31 - 60 days	36
61 - 90 days	18
90 + days	4
Avg. Term to maturity (days)	34

Cash Breakdown

Instrument	Cash (%)
Treasury Bills	24.5
Provincial Bills	0.0
Bankers Acceptance	27.1
Commercial Paper	36.8
Bank Deposits	11.5

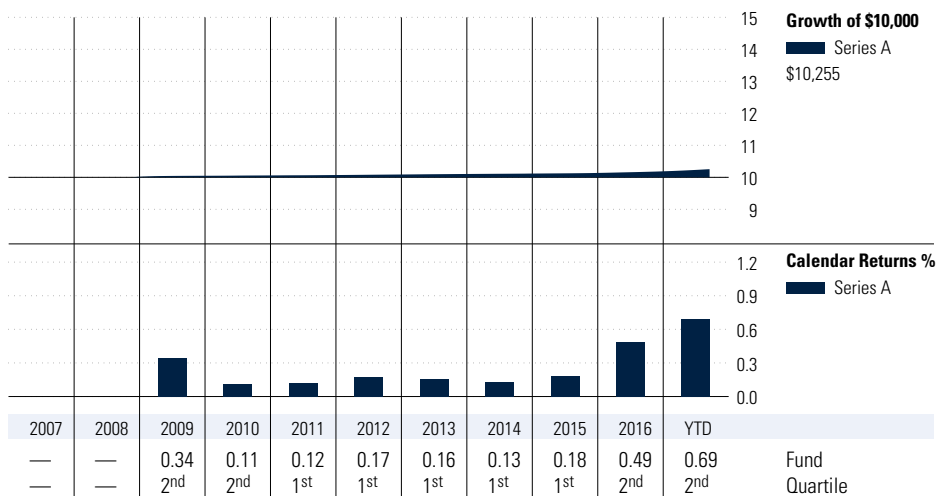
Credit Quality

Rating	%
R1 High	95.9
R1 Medium	0.0
R1 Low	4.1
Avg. Rating	R1H

Top 25 Holdings

Holder	% Assets
Export Development	1.254% 04-12-2017
Province Of Alberta	1.154% 10-10-2017
Toronto-Dominion Bank	1.216% 17-10-2017
Farm Credit Canada	1.140% 02-10-2017
BMO	1.243% 04-10-2017
Farm Credit Canada	1.192% 31-10-2017
Merit Trust - Senior Notes	1.573% (ST)
Bank Of Nova Scotia	1.210% 09-11-2017
Omers Realty Corp.	1.280% 06-10-2017
Ridge Trust	1.679% 23-02-2018
Bank Of Nova Scotia	1.150% 02-10-2017
Caisse Centrale Desjardins	1.270% (ST)
Fusion Trust	1.599% 06-11-2017
Bank Of Nova Scotia	1.243% 04-10-2017
Province Of Alberta	1.209% 01-11-2017
Banner Trust	1.461% 19-12-2017
Sure Trust	1.659% 06-11-2017
Canadian Master Trust - Series A	1.407% (ST)
Clarity Trust	1.611% 15-11-2017
BMO	1.222% 06-11-2017
Toronto-Dominion Bank	1.220% 04-10-2017
Enbridge Pipelines Inc.	1.401% (ST)
Sound Trust	1.590% 28-11-2017
Safe Trust - Series 1996-1	1.468% (ST)
Gaz Metro Inc.	1.240% 11-10-2017
Total % of Top 25 Holdings	84.6
Total Number of Stock Holdings	0
Total Number of Bond Holdings	2
Total Number of Other Holdings	38
Total Number of Holdings	40

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 %
0.09	0.27	0.50	0.84	0.47	0.34	—	0.29	Fund
2 nd	2 nd	2 nd	2 nd	2 nd	2 nd	—	—	Quartile
35	35	35	35	27	27	18	—	No. of Funds in Category

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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 September 30, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.07	0.05	0.02	0.01	0.02	0.02	0.01	0.01	0.03	0.02	—
Interest	0.07	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	9-2017	0.84	9-2017	0.47	9-2017	0.34	—	—
Worst	8-2011	0.10	6-2012	0.12	8-2014	0.13	—	—
Average		0.22		0.18		0.18		—
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

Unlike its Canadian counterpart, the U.S. Federal Reserve (Fed) did not change its policy rate this quarter, leaving it at the 1.00-1.25% level. Like the Bank of Canada (BoC), the Fed reiterated the data-dependent nature of its future monetary policy moves. Looking forward, market participants expect a slower pace of rate hikes from the Fed than the beginning of the year, with another one to three rate hikes through the end of 2018. As the Fed continues to move toward a more normal monetary policy, we expect short-term interest rates in the U.S. to follow suit, which should translate into higher reinvestment rates for investors going forward.

PH&N U.S. 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 U.S. Government Treasury Bills. To this end, the Fund is predominantly invested in corporate securities such as asset-backed commercial paper, bankers' acceptances and commercial paper of high-quality corporate borrowers and, to a lesser extent, the U.S. dollar-denominated debt of Canadian provinces. As always, safety of principal and return of capital are not compromised and remain the primary objectives 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 Investment Services. RBC GAM is an indirect, wholly-owned subsidiary of Royal Bank of

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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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