



U.S. EQUITY FUND

RBC U.S. EQUITY FUND

June 30, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Global Asset Management Inc. approved this interim management report of fund performance on August 9, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This interim management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete interim financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of U.S. companies, providing broad exposure to economic growth through the U.S. stock market.

The Fund diversifies across industries and selects companies with strong management, focused business models and the potential for growth in earnings and cash flow.

Results of Operations

The Fund's net asset value was \$2.1 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 5.8%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

U.S. equity markets posted modest gains in the first half of 2018, with most of the increase coming at the beginning of the period. Stocks were volatile through June, as euphoria over the late-2017 tax cuts yielded to the negative impact of a slight weakening in economic growth and concern about trade protectionism. The rise in stocks was not impressive given a relatively large increase in overall earnings. On the one hand, robust earnings growth made stocks attractive. At the same time, sustained economic growth and accelerated earnings were accompanied by higher interest rates and faster inflation, which weighed on valuations. Against this backdrop, equities have struggled so far in 2018 to make the kind of headway that came so easily last year.

Sector allocation aided the Fund's relative returns during the period, while security selection had a negative impact. Positions that had a positive impact on performance included an underweight allocation to 3M, which reduced its earnings guidance early in the year, and an overweight position in Boeing, which beat analysts' earnings estimates.

Negative for relative returns were overweight allocations to tobacco companies Philip Morris International and Altria Group. Philip Morris fell on weak earnings driven largely by lower-than-expected sales of its smokeless product in Japan.

Portfolio turnover can be high for the Fund, as the portfolio manager attempts to generate better returns through active security and sector selection.

Recent Developments

Expanding valuations have been a significant source of gains for stocks during the decade-long rally, but sustained earnings growth will be critical to drive equities to higher levels. Earnings have indeed been growing rapidly, helped by U.S. tax cuts, and the positive trend

in profits is expected to persist. The portfolio manager believes that as long as economic growth continues and the U.S. Federal Reserve raises rates gradually, stocks are likely to offer decent returns for the balance of 2018.

There are several scenarios that could lead to a more negative outcome for stocks, the most likely of which are an excessive rise in borrowing costs and/or an escalation of trade protectionism by the Trump administration.

Related-Party Transactions

Manager, Trustee and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. RBC GAM, as trustee, earns a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when unitholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or may distribute certain series of units of, the Fund. Dealers may receive an ongoing commission based on the total value of their clients' investment in certain series of units of the Fund.

Registrars

RBC GAM, RBC IS or Royal Bank (or a combination thereof) are the registrars of the Fund and keep records of who owns units of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.



Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Securities Lending Agent

To the extent the Fund may engage in securities lending transactions, RBC IS may act as the Fund's securities lending agent. Any revenue earned on such securities lending is split between the Fund and the securities lending agent.

Brokers and Dealers

The Fund has established standard brokerage and dealing agreements at market rates with related parties. These related-party commissions were \$108,000 (2017 – \$120,000) or 11% (2017 – 13%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2018), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited interim financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²				Net Assets End of Year/Period	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital		
Series A												
June 30, 2018	30.11	0.25	(0.30)	1.23	0.58	1.76	–	–	–	–	–	31.85
Dec. 31, 2017	28.54	0.52	(0.58)	1.74	1.30	2.98	–	–	(1.47)	–	(1.47)	30.11
Dec. 31, 2016	27.27	0.47	(0.53)	0.58	0.48	1.00	–	–	–	–	–	28.54
Dec. 31, 2015	29.93	0.76	(0.67)	9.92	(4.03)	5.98	–	(6.44)	(0.28)	–	(6.72)	27.27
Dec. 31, 2014	28.56	0.47	(0.64)	6.08	(1.27)	4.64	–	–	(3.50)	–	(3.50)	29.93
Dec. 31, 2013	21.12	0.37	(0.52)	4.69	3.01	7.55	–	–	–	–	–	28.56
Advisor Series												
June 30, 2018	30.27	0.25	(0.30)	1.24	0.57	1.76	–	–	–	–	–	32.02
Dec. 31, 2017	28.68	0.52	(0.57)	1.75	1.30	3.00	–	–	(1.47)	–	(1.47)	30.27
Dec. 31, 2016	27.39	0.47	(0.53)	0.58	0.61	1.13	–	–	–	–	–	28.68
Dec. 31, 2015	30.07	0.78	(0.67)	10.11	(4.11)	6.11	–	(6.46)	(0.28)	–	(6.74)	27.39
Dec. 31, 2014	28.66	0.47	(0.63)	6.13	(1.28)	4.69	–	–	(3.50)	–	(3.50)	30.07
Dec. 31, 2013	21.18	0.37	(0.51)	4.71	3.02	7.59	–	–	–	–	–	28.66
Series T5												
June 30, 2018	30.29	0.25	(0.26)	1.23	(8.03)	(6.81)	–	(0.76)	–	–	(0.76)	31.31
Dec. 31, 2017 ³	29.53 [†]	0.43	(0.42)	1.44	0.73	2.18	–	(0.04)	(1.22)	–	(1.26)	30.29
Series D												
June 30, 2018	31.77	0.26	(0.17)	1.30	0.59	1.98	–	–	–	–	–	33.76
Dec. 31, 2017	30.05	0.55	(0.33)	1.84	1.33	3.39	–	(0.19)	(1.58)	–	(1.77)	31.77
Dec. 31, 2016	28.60	0.50	(0.31)	0.61	0.71	1.51	–	(0.15)	–	–	(0.15)	30.05
Dec. 31, 2015	31.44	0.83	(0.41)	10.71	(4.35)	6.78	–	(7.10)	(0.29)	–	(7.39)	28.60
Dec. 31, 2014	29.81	0.49	(0.39)	6.39	(1.34)	5.15	–	(0.08)	(3.68)	–	(3.76)	31.44
Dec. 31, 2013	21.89	0.39	(0.32)	4.88	3.13	8.08	–	(0.07)	–	–	(0.07)	29.80
Series F												
June 30, 2018	34.13	0.28	(0.13)	1.40	0.62	2.17	–	–	–	–	–	36.32
Dec. 31, 2017	32.26	0.59	(0.26)	1.98	1.60	3.91	–	(0.31)	(1.68)	–	(1.99)	34.13
Dec. 31, 2016	30.70	0.53	(0.25)	0.65	4.15	5.08	–	(0.24)	–	–	(0.24)	32.26
Dec. 31, 2015	33.78	0.87	(0.35)	11.24	(4.57)	7.19	–	(7.76)	(0.31)	–	(8.07)	30.70
Dec. 31, 2014	32.04	0.53	(0.33)	6.85	(1.43)	5.62	–	(0.18)	(3.97)	–	(4.15)	33.78
Dec. 31, 2013	23.52	0.42	(0.27)	5.25	3.37	8.77	–	(0.14)	–	–	(0.14)	32.04
Series FT5												
June 30, 2018	33.42	0.27	(0.12)	1.36	(0.44)	1.07	–	(0.83)	–	–	(0.83)	34.71
Dec. 31, 2017 ³	33.44 [†]	0.48	(0.21)	1.62	8.55	10.44	–	(0.50)	(2.12)	–	(2.62)	33.42



FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit (\$) (cont.)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²				Net Assets End of Year/Period	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital		
Series O												
June 30, 2018	32.80	0.27	–	1.35	0.68	2.30	–	–	–	–	–	35.04
Dec. 31, 2017	31.00	0.56	(0.01)	1.91	1.50	3.96	–	(0.55)	(1.62)	–	(2.17)	32.80
Dec. 31, 2016	29.46	0.51	(0.01)	0.63	1.13	2.26	–	(0.46)	–	–	(0.46)	31.00
Dec. 31, 2015	32.61	0.67	(0.01)	8.66	(3.52)	5.80	–	(8.00)	(0.31)	–	(8.31)	29.46
Dec. 31, 2014	31.02	0.51	(0.01)	6.58	(1.37)	5.71	–	(0.58)	(3.88)	–	(4.46)	32.61
Dec. 31, 2013	22.75	0.40	(0.01)	5.10	3.27	8.76	–	(0.38)	–	–	(0.38)	31.02

¹ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

² Distributions are reinvested in additional units of the Fund or paid in cash.

³ From February 15, 2017.

† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit (\$)	Net Asset Value (\$000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
June 30, 2018	31.85	464 585	14 585	1.94	1.94	100.22	0.10
Dec. 31, 2017	30.11	471 766	15 670	1.95	1.95	91.78	0.09
Dec. 31, 2016	28.54	492 097	17 243	2.02 ⁴	2.02	109.31	0.11
Dec. 31, 2015	27.27	558 417	20 478	2.10	2.10	216.79	0.19
Dec. 31, 2014	29.93	549 483	18 356	2.11	2.11	302.20	0.28
Dec. 31, 2013	28.56	482 220	16 883	2.11	2.11	243.45	0.31
Advisor Series							
June 30, 2018	32.02	9 930	310	1.92	1.92	100.22	0.10
Dec. 31, 2017	30.27	9 595	317	1.93	1.93	91.78	0.09
Dec. 31, 2016	28.68	8 753	305	2.01 ⁴	2.01	109.31	0.11
Dec. 31, 2015	27.39	8 930	326	2.11	2.11	216.79	0.19
Dec. 31, 2014	30.07	7 790	259	2.07	2.07	302.20	0.28
Dec. 31, 2013	28.66	5 949	208	2.05	2.05	243.45	0.31
Series T5							
June 30, 2018	31.31	15	–	1.80	1.80	100.22	0.10
Dec. 31, 2017 ⁵	30.29	1	–	1.80	1.80	91.78	0.09
Series D							
June 30, 2018	33.76	33 478	992	1.06	1.06	100.22	0.10
Dec. 31, 2017	31.77	31 023	976	1.07	1.07	91.78	0.09
Dec. 31, 2016	30.05	28 264	941	1.14 ⁴	1.14	109.31	0.11
Dec. 31, 2015	28.60	27 576	964	1.22	1.22	216.79	0.19
Dec. 31, 2014	31.44	21 752	692	1.23	1.23	302.20	0.28
Dec. 31, 2013	29.81	15 589	523	1.23	1.23	243.45	0.31
Series F							
June 30, 2018	36.32	80 057	2 204	0.77	0.77	100.22	0.10
Dec. 31, 2017	34.13	60 378	1 769	0.78	0.78	91.78	0.09
Dec. 31, 2016	32.26	33 858	1 050	0.84 ⁴	0.84	109.31	0.11
Dec. 31, 2015	30.70	6 483	211	0.97	0.97	216.79	0.19
Dec. 31, 2014	33.78	7 556	224	0.97	0.97	302.20	0.28
Dec. 31, 2013	32.04	6 354	198	0.97	0.97	243.45	0.31



FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit (\$)	Net Asset Value (\$000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series FT5							
June 30, 2018	34.71	272	8	0.75	0.75	100.22	0.10
Dec. 31, 2017 ⁵	33.42	30	1	0.75	0.75	91.78	0.09
Series O							
June 30, 2018	35.04	1 463 030	41 758	0.03	0.03	100.22	0.10
Dec. 31, 2017	32.80	1 397 929	42 620	0.04	0.04	91.78	0.09
Dec. 31, 2016	31.00	1 233 463	39 790	0.03	0.03	109.31	0.11
Dec. 31, 2015	29.46	1 027 971	34 890	0.03	0.03	216.79	0.19
Dec. 31, 2014	32.61	3 070 013	94 137	0.03	0.03	302.20	0.28
Dec. 31, 2013	31.02	3 612 380	116 449	0.03	0.03	243.45	0.31

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F units of the Fund. If the changes to the management fees would have been in effect throughout 2016, the adjusted MER for each series of the Fund would be: Series A – 1.94%, Advisor Series – 1.92%, Series D – 1.06% and Series F – 0.80%.

⁵ From February 15, 2017.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.60%	66%	34%
Advisor Series	1.60%	66%	34%
Series T5	1.60%	63%	37%
Series D	0.85%	25%	75%
Series F	0.60%	–	100%
Series FT5	0.60%	–	100%

Series O – no management fees are paid by the Fund with respect to Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

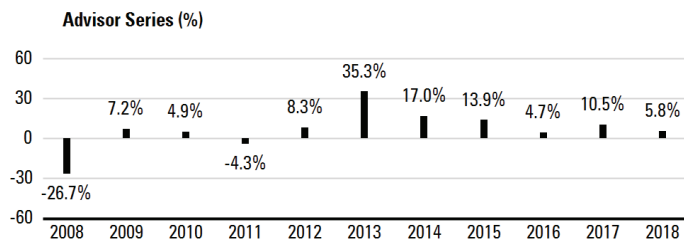
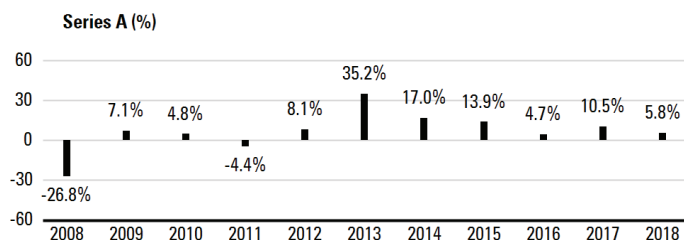


PAST PERFORMANCE

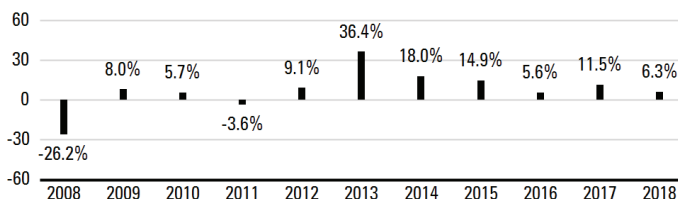
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

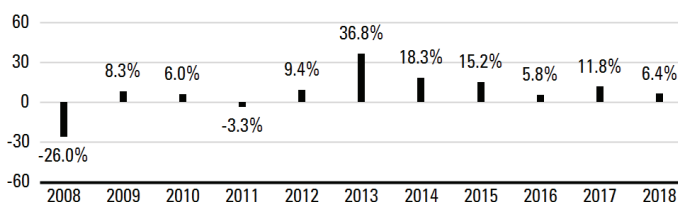
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



Series D (%)



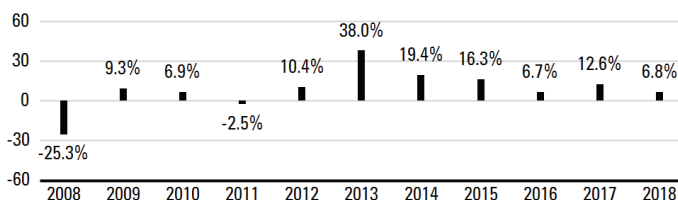
Series F (%)



Series FT5 (%)



Series O (%)



Series T5 and Series FT5 units have been available for sale to unitholders since February 15, 2017. Inception dates are not provided for series that have been in existence for more than 10 years. For the 12-month periods ended December 31 and the six-month period ended June 30, 2018.



SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
Information Technology	22.5
Health Care	13.3
Underlying Funds	11.5
Consumer Discretionary	10.2
Financials	10.2
Industrials	6.6
Energy	6.5
Consumer Staples	6.3
Utilities	3.0
Materials	2.9
Telecommunication Services	1.0
Real Estate	0.5
Cash/Other	5.5

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	5.4
Apple Inc.	4.4
RBC U.S. Mid-Cap Growth Equity Fund	4.4
RBC U.S. Mid-Cap Value Equity Fund	3.7
Microsoft Corp.	3.6
Amazon.com, Inc.	3.3
Alphabet Inc., Class A	2.6
Bank of America Corp.	2.0
UnitedHealth Group Incorporated	2.0
Chevron Corp.	2.0
Facebook Inc., Class A	1.8
JPMorgan Chase & Co.	1.5
Johnson & Johnson	1.5
Berkshire Hathaway Inc., Class B	1.4
Intel Corp.	1.4
Cisco Systems Inc.	1.4
Visa Inc., Class A	1.3
Home Depot Inc.	1.3
Boeing Co.	1.2
DowDuPont Inc.	1.2
LyondellBasell Industries N.V.	1.2
Altria Group Inc.	1.2
Mastercard Inc.	1.1
NextEra Energy Inc.	1.1
RBC U.S. Small-Cap Core Equity Fund	1.0
Top 25 Holdings	53.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.