



Global Asset
Management

RBC FUNDS AND RBC PRIVATE POOLS

2018

**Interim Management
Report of Fund
Performance**

RBC FUNDS**MONEY MARKET FUNDS**

RBC Canadian T-Bill Fund	3
RBC Canadian Money Market Fund	9
RBC Premium Money Market Fund	16
RBC \$U.S. Money Market Fund	22
RBC Premium \$U.S. Money Market Fund	28

FIXED-INCOME FUNDS

RBC Canadian Short-Term Income Fund	34
RBC \$U.S. Short-Term Corporate Bond Fund	41
RBC Monthly Income Bond Fund	47
RBC Canadian Bond Index Fund	54
RBC Canadian Government Bond Index Fund	60
RBC Bond Fund	66
RBC Vision Bond Fund	73
RBC Global Bond Fund	80
RBC Global Bond & Currency Fund	88
RBC \$U.S. Investment Grade Corporate Bond Fund	94
RBC Global Corporate Bond Fund	102
RBC High Yield Bond Fund	109
RBC \$U.S. High Yield Bond Fund	116
RBC Global High Yield Bond Fund	124
RBC Strategic Income Bond Fund	131
RBC \$U.S. Strategic Income Bond Fund	139
RBC Emerging Markets Foreign Exchange Fund	145
RBC Emerging Markets Bond Fund	152
RBC Emerging Markets Bond Fund (CAD Hedged)	159
BlueBay Global Monthly Income Bond Fund	166
BlueBay Global Sovereign Bond Fund (Canada)	174
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	181
BlueBay European High Yield Bond Fund (Canada)	188
BlueBay Emerging Markets Corporate Bond Fund	195
BlueBay Global Convertible Bond Fund (Canada)	202
BlueBay \$U.S. Global Convertible Bond Fund (Canada)	211

MANAGED PAYOUT SOLUTIONS

RBC Managed Payout Solution	219
RBC Managed Payout Solution – Enhanced	226
RBC Managed Payout Solution – Enhanced Plus	233

BALANCED FUNDS AND PORTFOLIO SOLUTIONS

RBC Monthly Income Fund	240
RBC U.S. Monthly Income Fund	247
RBC Balanced Fund	255

BALANCED FUNDS AND PORTFOLIO SOLUTIONS (cont.)

RBC Global Balanced Fund	263
RBC Vision Balanced Fund	271
RBC Conservative Growth & Income Fund	279
RBC Balanced Growth & Income Fund	287
RBC Global Growth & Income Fund	296
RBC Retirement Income Solution	303
RBC Retirement 2020 Portfolio	310
RBC Retirement 2025 Portfolio	317
RBC Retirement 2030 Portfolio	324
RBC Retirement 2035 Portfolio	331
RBC Retirement 2040 Portfolio	338
RBC Retirement 2045 Portfolio	345
RBC Retirement 2050 Portfolio	352
RBC Select Very Conservative Portfolio	359
RBC Select Conservative Portfolio	367
RBC Select Balanced Portfolio	375
RBC Select Growth Portfolio	383
RBC Select Aggressive Growth Portfolio	391
RBC Select Choices Conservative Portfolio	399
RBC Select Choices Balanced Portfolio	405
RBC Select Choices Growth Portfolio	411
RBC Select Choices Aggressive Growth Portfolio	417
RBC Target 2020 Education Fund	423
RBC Target 2025 Education Fund	429
RBC Target 2030 Education Fund	435
RBC Target 2035 Education Fund	441

CANADIAN EQUITY FUNDS

RBC Canadian Dividend Fund	446
RBC Canadian Equity Fund	456
RBC QUBE Canadian Equity Fund	464
RBC QUBE Low Volatility Canadian Equity Fund	469
RBC Trend Canadian Equity Fund	477
RBC Vision Canadian Equity Fund	484
RBC Canadian Index Fund	491
RBC O'Shaughnessy Canadian Equity Fund	497
RBC O'Shaughnessy All-Canadian Equity Fund	504
RBC Canadian Equity Income Fund	511
RBC Canadian Small & Mid-Cap Resources Fund	518

NORTH AMERICAN EQUITY FUNDS

RBC North American Value Fund	525
RBC North American Growth Fund	534

U.S. EQUITY FUNDS

RBC U.S. Dividend Fund	541
RBC U.S. Dividend Currency Neutral Fund	550
RBC U.S. Equity Fund	557
RBC U.S. Equity Currency Neutral Fund	565
RBC QUBE U.S. Equity Fund	572
RBC QUBE Low Volatility U.S. Equity Fund	577
RBC QUBE Low Volatility U.S. Equity Currency Neutral Fund	585
RBC U.S. Equity Value Fund	592
RBC U.S. Index Fund	599
RBC U.S. Index Currency Neutral Fund	605
RBC O'Shaughnessy U.S. Value Fund (Unhedged)	611
RBC O'Shaughnessy U.S. Value Fund	617
RBC U.S. Mid-Cap Growth Equity Fund	625
RBC U.S. Mid-Cap Growth Equity Currency Neutral Fund	633
RBC U.S. Mid-Cap Value Equity Fund	640
RBC U.S. Small-Cap Core Equity Fund	647
RBC U.S. Small-Cap Value Equity Fund	654
RBC O'Shaughnessy U.S. Growth Fund	661
RBC O'Shaughnessy U.S. Growth Fund II	668
RBC Life Science and Technology Fund	675

INTERNATIONAL EQUITY FUNDS

RBC International Dividend Growth Fund	681
RBC International Equity Fund	689
RBC International Equity Currency Neutral Fund	697
RBC International Index Currency Neutral Fund	704
RBC O'Shaughnessy International Equity Fund	710
RBC European Dividend Fund	718
RBC European Equity Fund	725
RBC European Mid-Cap Equity Fund	733
RBC Asian Equity Fund	740
RBC Asia Pacific ex-Japan Equity Fund	747
RBC Japanese Equity Fund	754
RBC Emerging Markets Multi-Strategy Equity Fund	761
RBC Emerging Markets Dividend Fund	768
RBC Emerging Markets Equity Fund	776
RBC Emerging Markets Small-Cap Equity Fund	784

GLOBAL EQUITY FUNDS

RBC Global Dividend Growth Fund	792
RBC Global Dividend Growth Currency Neutral Fund	800
RBC Global Equity Fund	807
RBC Global Equity Focus Fund	815
RBC Global Equity Focus Currency Neutral Fund	823

GLOBAL EQUITY FUNDS (cont.)

RBC QUBE Global Equity Fund	829
RBC QUBE Low Volatility Global Equity Fund	834
RBC QUBE Low Volatility Global Equity Currency Neutral Fund	842
RBC Vision Global Equity Fund	848
RBC Vision Fossil Fuel Free Global Equity Fund	855
RBC O'Shaughnessy Global Equity Fund	862
RBC QUBE All Country World Equity Fund	869
RBC QUBE Low Volatility All Country World Equity Fund	874
RBC Global Energy Fund	879
RBC Global Precious Metals Fund	886
RBC Global Resources Fund	893
RBC Global Technology Fund	900

RBC PRIVATE POOLS**FIXED INCOME**

RBC Private Short-Term Income Pool	907
RBC Private Canadian Corporate Bond Pool	913

BALANCED

RBC Private Income Pool	919

CANADIAN EQUITY

RBC Private Canadian Dividend Pool	925
RBC Private Canadian Growth and Income Equity Pool	931
RBC Private Canadian Equity Pool	937
RBC Private Canadian Growth Equity Pool	943
RBC Private Canadian Mid-Cap Equity Pool	949

U.S. EQUITY

RBC Private U.S. Large-Cap Value Equity Pool	955
RBC Private U.S. Large-Cap Value Equity Currency Neutral Pool	961
RBC Private U.S. Growth Equity Pool	966
RBC Private U.S. Large-Cap Core Equity Pool	972
RBC Private U.S. Large-Cap Core Equity Currency Neutral Pool	978
RBC Private U.S. Small-Cap Equity Pool	983

INTERNATIONAL AND GLOBAL EQUITY

RBC Private EAFE Equity Pool	989
RBC Private Overseas Equity Pool	996
RBC Private World Equity Pool	1002

CONTACT US

1008



MONEY MARKET FUND

RBC CANADIAN T-BILL 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 current income and liquidity consistent with short-term money-market interest rates while preserving the value of the investment.

The Fund is invested primarily in short-term government debt securities with a maximum term of 365 days. Investments include Government of Canada Treasury bills, notes guaranteed by the federal government, provincial Treasury bills, floating-rate notes and short-term bank deposits.

Results of Operations

The Fund's net asset value was \$310 million as of June 30, 2018.

As of June 30, 2018, the current yields were 1.0% for Series A units and 1.0% for Series D units.

Over the past six months, the Fund's Series A units returned 0.43%. 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. In response to an extremely low interest rate environment and to support the yield to unitholders, the management fees of the Fund have been maintained at reduced levels by RBC GAM. The decision to temporarily reduce management fees is determined at the discretion of RBC GAM.

Following a solid economic recovery extending into early 2018, the Canadian economy decelerated somewhat as uncertainty over the North American Free Trade Agreement ("NAFTA") and weakening housing markets in Ontario and British Columbia weighed on the economy. Canada's economic growth was lacklustre compared with the U.S.'s, which explains why the Bank of Canada (the "BOC") refrained from hiking rates after doing so once early in the year.

The portfolio manager maintained the Fund's average term to maturity at a level that assumed interest rates would remain relatively stable, as the BOC's plan to stand pat on rates offered opportunities to invest in longer maturities with higher yields. Toward the end of the period, however, the portfolio manager shifted some assets into shorter-dated provincial securities as the BOC signalled it might soon be ready to boost rates again. The Fund's asset allocation was little changed, with an emphasis on provincial paper that offered extra yield relative to federal paper of equivalent maturity. The Fund also held government floating-rate notes offering higher yields.

Recent Developments

The BOC is on record that higher interest rates would be appropriate but only if supported by economic data. Some indicators support an immediate hike, while others suggest waiting longer is more appropriate. Overhanging the market is the unpredictability of NAFTA negotiations with the U.S. and a trade conflict initiated by the U.S. through the imposition of tariffs on Canadian steel and aluminum. While the BOC is likely to raise rates soon, in the view of the portfolio manager, the pace would be very gradual, particularly after a string of U.S. increases. Staying the BOC's hand is the outlook for Canadian trade as a trade war with the U.S. looms. Overall, tighter monetary policy is still anticipated.

Inflation remains subdued, although employment growth is relatively healthy and Canadian consumers are still confident about the economy. Canadians are, however, vulnerable to higher borrowing costs caused by BOC rate hikes.

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.

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	10.00	0.06	(0.02)	—	—	0.04	(0.04)	—	—	—	(0.04)	10.00
Dec. 31, 2017	10.00	0.08	(0.04)	—	—	0.04	(0.04)	—	—	—	(0.04)	10.00
Dec. 31, 2016	10.00	0.06	(0.04)	—	—	0.02	(0.02)	—	—	—	(0.02)	10.00
Dec. 31, 2015	10.00	0.08	(0.05)	—	—	0.03	(0.03)	—	—	—	(0.03)	10.00
Dec. 31, 2014	10.00	0.10	(0.05)	—	—	0.05	(0.05)	—	—	—	(0.05)	10.00
Dec. 31, 2013	10.00	0.11	(0.05)	—	—	0.06	(0.05)	—	—	—	(0.05)	10.00
Series D												
June 30, 2018	10.00	0.06	(0.02)	—	—	0.04	(0.04)	—	—	—	(0.04)	10.00
Dec. 31, 2017	10.00	0.08	(0.04)	—	—	0.04	(0.04)	—	—	—	(0.04)	10.00
Dec. 31, 2016	10.00	0.06	(0.04)	—	—	0.02	(0.02)	—	—	—	(0.02)	10.00
Dec. 31, 2015	10.00	0.08	(0.05)	—	—	0.03	(0.03)	—	—	—	(0.03)	10.00
Dec. 31, 2014	10.00	0.10	(0.05)	—	—	0.05	(0.05)	—	—	—	(0.05)	10.00
Dec. 31, 2013	10.00	0.11	(0.06)	—	—	0.05	(0.05)	—	—	—	(0.05)	10.00

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.



FINANCIAL HIGHLIGHTS (cont.)

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	10.00	254 218	25 421	0.44	0.93	n/a	—
Dec. 31, 2017	10.00	270 209	27 020	0.44	0.44	n/a	—
Dec. 31, 2016	10.00	306 017	30 601	0.44	0.44	n/a	—
Dec. 31, 2015	10.00	342 970	34 297	0.52	0.52	n/a	—
Dec. 31, 2014	10.00	395 252	39 525	0.55	0.55	n/a	—
Dec. 31, 2013	10.00	475 213	47 521	0.55	0.55	n/a	—
Series D							
June 30, 2018	10.00	55 578	5 558	0.44	0.72	n/a	—
Dec. 31, 2017	10.00	55 144	5 514	0.44	0.44	n/a	—
Dec. 31, 2016	10.00	55 714	5 571	0.44	0.44	n/a	—
Dec. 31, 2015	10.00	55 230	5 523	0.52	0.52	n/a	—
Dec. 31, 2014	10.00	58 871	5 887	0.55	0.55	n/a	—
Dec. 31, 2013	10.00	68 099	6 810	0.55	0.55	n/a	—

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.

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	0.75%	33%	67%
Series D	0.60%	17%	83%

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

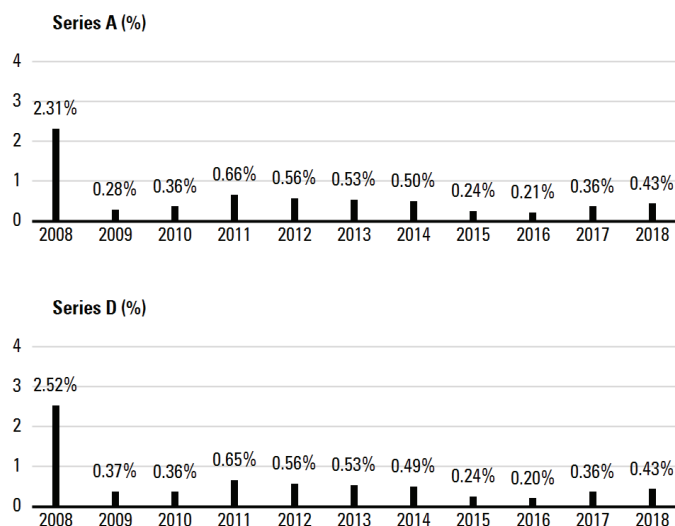


PAST PERFORMANCE

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.



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
Provincial Obligations	97.0
Federal Obligations	2.0
Bankers Acceptance	0.7
Cash/Other	0.3

Top 25 Holdings

	% of Net Asset Value
Province of British Columbia 1.408% Jul 10 2018	11.7
Province of Quebec 1.650% Dec 7 2018	7.3
Province of New Brunswick 1.378% Jul 10 2018	7.1
Province of Ontario 1.401% Jul 25 2018	6.8
Province of Quebec 1.402% Jul 27 2018	5.8
Province of Alberta 1.449% Aug 28 2018	5.2
Province of Saskatchewan 1.500% Jul 30 2018	5.1
Province of Alberta 1.489% Aug 30 2018	4.8
Province of Nova Scotia 1.482% Aug 28 2018	4.5
Province of Manitoba 1.420% Aug 8 2018	4.5
Province of Alberta 1.511% Sep 25 2018	4.0
Province of Ontario 1.609% Nov 7 2018	3.9
Province of Saskatchewan 1.482% Aug 30 2018	3.5
Province of British Columbia 1.736% Mar 1 2019	3.2
Province of Manitoba 1.482% Aug 29 2018	3.2
Province of British Columbia 1.500% Aug 10 2018	3.2
Province of Saskatchewan 1.325% Jul 23 2018	2.9
Province of Manitoba 1.398% Jul 25 2018	2.4
Province of Ontario 1.174% Sep 4 2018	2.0
Canada Housing Trust No. 1 1.245% Sep 15 2018	2.0
Province of New Brunswick 1.495% Aug 13 2018	1.9
Province of British Columbia 1.318% Jul 18 2018	1.6
Province of Ontario 1.499% Aug 15 2018	1.6
Province of Alberta 1.389% Jul 10 2018	1.0
National Bank 1.200% Jul 3 2018	0.6
Top 25 Holdings	99.8

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.



MONEY MARKET FUND

RBC CANADIAN MONEY MARKET 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.

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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 current income and liquidity consistent with short-term money-market interest rates while preserving the value of the investment.

The Fund is invested primarily in high-quality short-term government- and corporate-debt securities with a maximum term of 365 days.

The Fund's corporate-debt holdings are deemed by major debt-rating agencies to be suitable for conservative investors. The Fund also includes short-term debt issued by Canadian chartered banks and promissory notes issued or guaranteed by Canadian governments or their agencies.

Results of Operations

The Fund's net asset value was \$1.9 billion as of June 30, 2018.

As of June 30, 2018, the current yields were 1.1% for Series A units, 1.1% for Advisor Series units, 1.1% for Series D units, 1.1% for Series F units and 1.7% for Series O units.

Over the past six months, the Fund's Series A units returned 0.50%. 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. In response to an extremely low interest rate environment and to support the yield to unitholders, the management fees of the Fund have been maintained at reduced levels by RBC GAM. The decision to temporarily reduce management fees is determined at the discretion of RBC GAM.

Following a solid economic recovery extending into early 2018, the Canadian economy decelerated somewhat as uncertainty over the North American Free Trade Agreement ("NAFTA") and weakening housing markets in Ontario and British Columbia weighed on the economy. Canada's economic growth was lacklustre compared with the U.S.'s, which explains why the Bank of Canada (the "BOC") refrained from hiking rates after doing so once early in the year.

The portfolio manager maintained the Fund's average term to maturity at a level that assumed interest rates would remain relatively stable, as the BOC's plan to stand pat on rates offered opportunities to invest in longer maturities with higher yields. Toward the end of the period, however, the portfolio manager shifted some assets into shorter-dated securities as the BOC signalled it might soon be ready to boost rates again. The Fund's asset allocation was little changed, as higher-yielding asset-backed commercial paper continued to offer attractive yields. Regulatory liquidity requirements were fulfilled through the management of maturities and with holdings of government securities.

Recent Developments

The BOC is on record that higher interest rates would be appropriate but only if supported by economic data. Some indicators support an immediate hike, while others suggest waiting longer is more appropriate. Overhanging the market is the unpredictability of NAFTA negotiations with the U.S. and a trade conflict initiated by the U.S. through the imposition of tariffs on Canadian steel and aluminum. While the BOC is likely to raise rates soon, in the view of the portfolio manager, the pace would be very gradual, particularly after a string of U.S. increases. Staying the BOC's hand is the outlook for Canadian trade as a trade war with the U.S. looms. Overall, tighter monetary policy is still anticipated.

Inflation remains subdued, although employment growth is relatively healthy and Canadian consumers are still confident about the economy. Canadians are, however, vulnerable to higher borrowing costs that result from BOC rate hikes.

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.

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	10.00	0.08	(0.03)	—	—	0.05	(0.05)	—	—	—	(0.05)	10.00
Dec. 31, 2017	10.00	0.11	(0.06)	—	—	0.05	(0.05)	—	—	—	(0.05)	10.00
Dec. 31, 2016	10.00	0.09	(0.06)	—	—	0.03	(0.03)	—	—	—	(0.03)	10.00
Dec. 31, 2015	10.00	0.10	(0.06)	—	—	0.04	(0.04)	—	—	—	(0.04)	10.00
Dec. 31, 2014	10.00	0.12	(0.06)	—	—	0.06	(0.06)	—	—	—	(0.06)	10.00
Dec. 31, 2013	10.00	0.12	(0.06)	—	—	0.06	(0.06)	—	—	—	(0.06)	10.00
Advisor Series												
June 30, 2018	10.00	0.08	(0.03)	—	—	0.05	(0.05)	—	—	—	(0.05)	10.00
Dec. 31, 2017	10.00	0.11	(0.06)	—	—	0.05	(0.05)	—	—	—	(0.05)	10.00
Dec. 31, 2016	10.00	0.09	(0.06)	—	—	0.03	(0.03)	—	—	—	(0.03)	10.00
Dec. 31, 2015	10.00	0.10	(0.06)	—	—	0.04	(0.04)	—	—	—	(0.04)	10.00
Dec. 31, 2014	10.00	0.12	(0.06)	—	—	0.06	(0.06)	—	—	—	(0.06)	10.00
Dec. 31, 2013	10.00	0.12	(0.06)	—	—	0.06	(0.06)	—	—	—	(0.06)	10.00
Series D												
June 30, 2018	10.00	0.08	(0.03)	—	—	0.05	(0.05)	—	—	—	(0.05)	10.00
Dec. 31, 2017	10.00	0.11	(0.06)	—	—	0.05	(0.05)	—	—	—	(0.05)	10.00
Dec. 31, 2016	10.00	0.09	(0.06)	—	—	0.03	(0.03)	—	—	—	(0.03)	10.00
Dec. 31, 2015	10.00	0.10	(0.06)	—	—	0.04	(0.04)	—	—	—	(0.04)	10.00
Dec. 31, 2014	10.00	0.12	(0.06)	—	—	0.06	(0.06)	—	—	—	(0.06)	10.00
Dec. 31, 2013	10.00	0.12	(0.06)	—	—	0.06	(0.06)	—	—	—	(0.06)	10.00
Series F												
June 30, 2018	10.00	0.08	(0.03)	—	—	0.05	(0.05)	—	—	—	(0.05)	10.00
Dec. 31, 2017	10.00	0.11	(0.06)	—	—	0.05	(0.05)	—	—	—	(0.05)	10.00
Dec. 31, 2016	10.00	0.10	(0.06)	—	—	0.04	(0.04)	—	—	—	(0.04)	10.00
Dec. 31, 2015	10.00	0.10	(0.06)	—	—	0.04	(0.04)	—	—	—	(0.04)	10.00
Dec. 31, 2014	10.00	0.12	(0.06)	—	—	0.06	(0.06)	—	—	—	(0.06)	10.00
Dec. 31, 2013	10.00	0.12	(0.06)	—	—	0.06	(0.07)	—	—	—	(0.07)	10.00
Series O												
June 30, 2018	10.00	0.08	—	—	—	0.08	(0.08)	—	—	—	(0.08)	10.00
Dec. 31, 2017	10.00	0.11	—	—	—	0.11	(0.11)	—	—	—	(0.11)	10.00
Dec. 31, 2016	10.00	0.09	—	—	—	0.09	(0.09)	—	—	—	(0.09)	10.00
Dec. 31, 2015	10.00	0.10	—	—	—	0.10	(0.10)	—	—	—	(0.10)	10.00
Dec. 31, 2014	10.00	0.12	—	—	—	0.12	(0.12)	—	—	—	(0.12)	10.00
Dec. 31, 2013	10.00	0.12	—	—	—	0.12	(0.12)	—	—	—	(0.12)	10.00

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.



FINANCIAL HIGHLIGHTS (cont.)

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	10.00	993 188	99 314	0.61	0.94	n/a	—
Dec. 31, 2017	10.00	1 048 238	104 818	0.60	0.60	n/a	—
Dec. 31, 2016	10.00	1 224 869	122 485	0.60	0.60	n/a	—
Dec. 31, 2015	10.00	1 352 347	135 235	0.61	0.61	n/a	—
Dec. 31, 2014	10.00	1 236 246	123 625	0.61	0.61	n/a	—
Dec. 31, 2013	10.00	1 477 907	147 791	0.61	0.61	n/a	—
Advisor Series							
June 30, 2018	10.00	10 807	1 081	0.61	0.89	n/a	—
Dec. 31, 2017	10.00	13 676	1 368	0.61	0.61	n/a	—
Dec. 31, 2016	10.00	14 759	1 476	0.61	0.61	n/a	—
Dec. 31, 2015	10.00	13 191	1 319	0.61	0.61	n/a	—
Dec. 31, 2014	10.00	13 881	1 388	0.61	0.61	n/a	—
Dec. 31, 2013	10.00	11 647	1 165	0.61	0.61	n/a	—
Series D							
June 30, 2018	10.00	161 351	16 134	0.61	0.72	n/a	—
Dec. 31, 2017	10.00	161 812	16 180	0.61	0.61	n/a	—
Dec. 31, 2016	10.00	164 136	16 413	0.61	0.61	n/a	—
Dec. 31, 2015	10.00	173 834	17 383	0.61	0.61	n/a	—
Dec. 31, 2014	10.00	179 277	17 928	0.61	0.61	n/a	—
Dec. 31, 2013	10.00	192 022	19 202	0.61	0.61	n/a	—
Series F							
June 30, 2018	10.00	34 889	3 489	0.56	0.61	n/a	—
Dec. 31, 2017	10.00	24 381	2 438	0.56	0.56	n/a	—
Dec. 31, 2016	10.00	12 499	1 250	0.56	0.56	n/a	—
Dec. 31, 2015	10.00	8 769	877	0.56	0.56	n/a	—
Dec. 31, 2014	10.00	12 965	1 297	0.56	0.56	n/a	—
Dec. 31, 2013	10.00	19 691	1 969	0.56	0.56	n/a	—
Series O							
June 30, 2018	10.00	654 420	65 439	0.02	0.02	n/a	—
Dec. 31, 2017	10.00	323 862	32 385	0.02	0.02	n/a	—
Dec. 31, 2016	10.00	168 559	16 856	0.02	0.02	n/a	—
Dec. 31, 2015	10.00	185 330	18 533	0.02	0.02	n/a	—
Dec. 31, 2014	10.00	284 482	28 448	0.02	0.02	n/a	—
Dec. 31, 2013	10.00	441 689	44 169	0.02	0.02	n/a	—

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.



FINANCIAL HIGHLIGHTS (cont.)

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	0.75%	33%	67%
Advisor Series	0.75%	33%	67%
Series D	0.60%	17%	83%
Series F	0.50%	—	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.

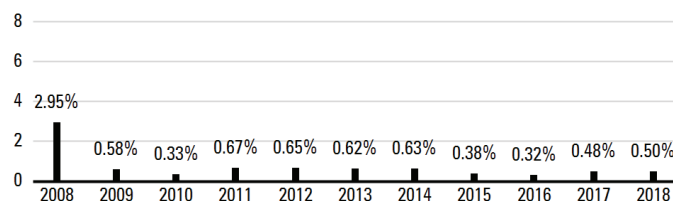
PAST PERFORMANCE

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.

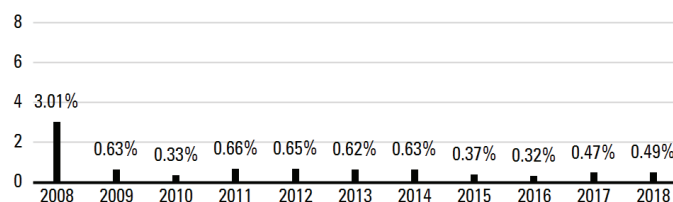
Year-by-Year Returns (%)

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.

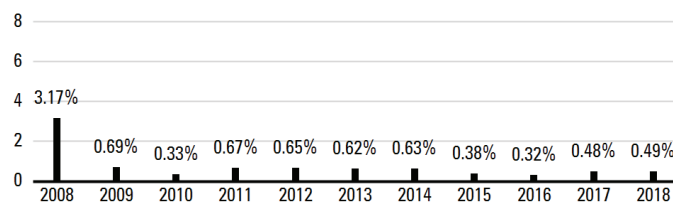
Series A (%)



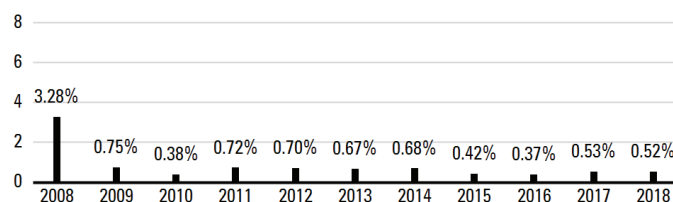
Advisor Series (%)



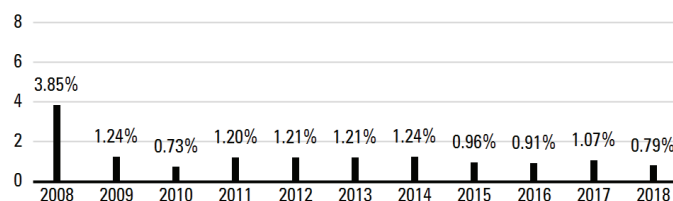
Series D (%)



Series F (%)



Series O (%)



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
Commercial Paper	63.6
Bankers Acceptances and Bank Obligations	31.5
Provincial Obligations	5.0
Cash/Other	(0.1)

Top 25 Holdings

	% of Net Asset Value
HSBC Bank Canada 1.579% Jul 16 2018	3.3
Merit Trust - Senior Notes 1.584% Jul 20 2018	3.1
Clarity Trust 1.700% Jul 30 2018	2.4
Banner Trust 1.649% Aug 27 2018	2.3
Toronto-Dominion Bank 2.001% Feb 11 2019	2.2
Zeus Receivables Trust - Senior Notes 1.669% Jul 6 2018	2.1
Prime Trust - Senior Notes 1.669% Jul 6 2018	1.9
Bank of Nova Scotia 1.830% Sep 20 2018	1.9
SAFE Trust - Series 1996-1 1.721% Sep 11 2018	1.9
Fusion Trust 1.774% Jul 30 2018	1.8
National Bank of Canada 1.762% Jul 11 2018	1.8
Bank of Nova Scotia 1.761% Jul 16 2018	1.8
Canadian Imperial Bank of Commerce 1.760% Jul 9 2018	1.8
Province of Alberta 1.400% Jul 31 2018	1.8
Enbridge Pipelines Inc. 1.829% Jul 10 2018	1.8
Canadian Imperial Bank of Commerce 2.001% Feb 8 2019	1.7
National Bank of Canada 1.679% Aug 30 2018	1.7
Toronto-Dominion Bank 1.727% Jul 31 2018	1.6
Bay Street Funding Trust - Class A 1.580% Jul 12 2018	1.6
Prime Trust - Senior Notes 1.819% Jul 20 2018	1.4
BNP Paribas Capital Trust 1.682% Aug 15 2018	1.4
BNP Paribas Capital Trust 1.700% Sep 10 2018	1.3
SURE Trust 1.721% Sep 11 2018	1.3
Ridge Trust 1.720% Sep 19 2018	1.3
Bank of Nova Scotia 1.850% Sep 25 2018	1.3
Top 25 Holdings	46.5

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.



MONEY MARKET FUND

RBC PREMIUM MONEY MARKET 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 current income and liquidity consistent with short-term money market rates for investors who have at least \$100,000 to invest.

To preserve the value of the investment, the Fund is invested primarily in high-quality, short-term (one year or less) debt securities, including Treasury bills, bankers acceptances and commercial paper.

Results of Operations

The Fund's net asset value was \$1.3 billion as of June 30, 2018.

As of June 30, 2018, the current yields were 1.4% for Series A units and 1.7% for Series F units.

Over the past six months, the Fund's Series A units returned 0.62%. 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.

Following a solid economic recovery extending into early 2018, the Canadian economy decelerated somewhat as uncertainty over the North American Free Trade Agreement ("NAFTA") and weakening housing markets in Ontario and British Columbia weighed on the economy. Canada's economic growth was lacklustre compared with the U.S.'s, which explains why the Bank of Canada (the "BOC") refrained from hiking rates after doing so once early in the year.

The portfolio manager maintained the Fund's average term to maturity at a level that assumed interest rates would remain relatively stable, as the BOC's plan to stand pat on rates offered opportunities to invest in longer maturities with higher yields. Toward the end of the period, however, the portfolio manager shifted some assets into shorter-dated securities as the BOC signalled it might soon be ready to boost rates again. The Fund's asset allocation was little changed, as higher-yielding asset-backed commercial paper continued to offer attractive yields. Regulatory liquidity requirements were fulfilled through the management of maturities and with holdings of government securities.

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trade as a trade war with the U.S. looms. Overall, tighter monetary policy is still anticipated.

Inflation remains subdued, although employment growth is relatively healthy and Canadian consumers are still confident about the economy. Canadians are, however, vulnerable to higher borrowing costs that result from BOC rate hikes.

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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.

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	10.00	0.08	(0.02)	—	—	0.06	(0.06)	—	—	—	(0.06)	10.00
Dec. 31, 2017	10.00	0.11	(0.04)	—	—	0.07	(0.07)	—	—	—	(0.07)	10.00
Dec. 31, 2016	10.00	0.10	(0.04)	—	—	0.06	(0.06)	—	—	—	(0.06)	10.00
Dec. 31, 2015	10.00	0.11	(0.04)	—	—	0.07	(0.07)	—	—	—	(0.07)	10.00
Dec. 31, 2014	10.00	0.12	(0.04)	—	—	0.08	(0.08)	—	—	—	(0.08)	10.00
Dec. 31, 2013	10.00	0.12	(0.04)	—	—	0.08	(0.09)	—	—	—	(0.09)	10.00
Series F												
June 30, 2018	10.00	0.08	(0.01)	—	—	0.07	(0.07)	—	—	—	(0.07)	10.00
Dec. 31, 2017	10.00	0.11	(0.02)	—	—	0.09	(0.09)	—	—	—	(0.09)	10.00
Dec. 31, 2016	10.00	0.09	(0.02)	—	—	0.07	(0.07)	—	—	—	(0.07)	10.00
Dec. 31, 2015	10.00	0.10	(0.02)	—	—	0.08	(0.08)	—	—	—	(0.08)	10.00
Dec. 31, 2014	10.00	0.12	(0.02)	—	—	0.10	(0.10)	—	—	—	(0.10)	10.00
Dec. 31, 2013	10.00	0.12	(0.02)	—	—	0.10	(0.10)	—	—	—	(0.10)	10.00

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.



FINANCIAL HIGHLIGHTS (cont.)

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	10.00	1 204 393	120 434	0.35	0.35	n/a	—
Dec. 31, 2017	10.00	1 215 455	121 538	0.35	0.35	n/a	—
Dec. 31, 2016	10.00	1 372 269	137 224	0.35	0.35	n/a	—
Dec. 31, 2015	10.00	1 497 158	149 716	0.35	0.35	n/a	—
Dec. 31, 2014	10.00	1 717 382	171 738	0.35	0.35	n/a	—
Dec. 31, 2013	10.00	2 249 586	224 959	0.35	0.35	n/a	—
Series F							
June 30, 2018	10.00	47 211	4 721	0.24	0.24	n/a	—
Dec. 31, 2017	10.00	29 617	2 962	0.24	0.24	n/a	—
Dec. 31, 2016	10.00	12 234	1 223	0.25	0.25	n/a	—
Dec. 31, 2015	10.00	9 627	963	0.25	0.25	n/a	—
Dec. 31, 2014	10.00	10 882	1 088	0.24	0.24	n/a	—
Dec. 31, 2013	10.00	14 559	1 456	0.24	0.24	n/a	—

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.

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	0.30%	83%	17%
Series F	0.20%	—	100%

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

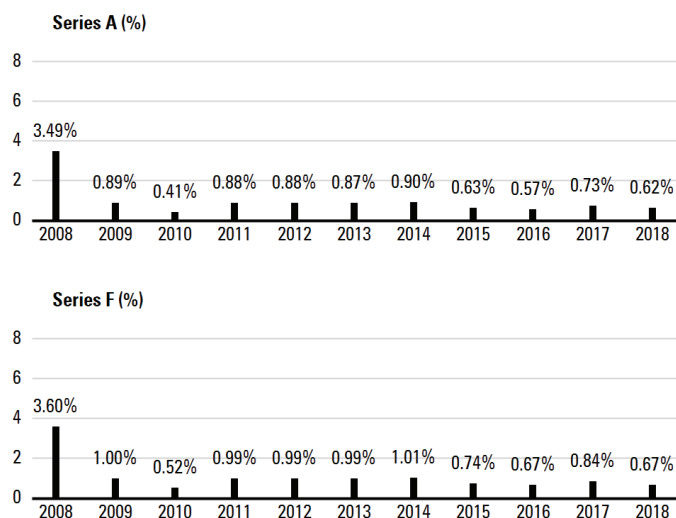


PAST PERFORMANCE

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.



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
Commercial Paper	59.8
Bankers Acceptances and Bank Obligations	34.9
Provincial Obligations	5.0
Cash/Other	0.3

Top 25 Holdings

	% of Net Asset Value
Clarity Trust 1.700% Jul 30 2018	4.8
SAFE Trust - Series 1996-1 1.576% Jul 17 2018	3.4
Bank of Nova Scotia 1.830% Sep 20 2018	3.2
Bank of Montreal 1.512% Jul 25 2018	3.0
Canadian Imperial Bank of Commerce 2.001% Feb 8 2019	2.4
Bank of Montreal 1.680% Jul 16 2018	2.4
Merit Trust - Senior Notes 1.497% Jul 6 2018	2.2
Bay Street Funding Trust - Class A 2.001% Mar 21 2019	2.1
Greater Toronto Airports Authority 1.686% Jul 13 2018	2.0
Ridge Trust 1.720% Sep 19 2018	2.0
Province of Ontario 1.401% Jul 25 2018	2.0
Toronto-Dominion Bank 1.821% Sep 28 2018	1.9
Prime Trust - Senior Notes 1.652% Jul 23 2018	1.9
Canadian Imperial Bank of Commerce 1.760% Jul 9 2018	1.8
Bank of Nova Scotia 1.761% Jul 16 2018	1.8
National Bank of Canada 1.762% Jul 11 2018	1.8
Province of Ontario 1.440% Aug 8 2018	1.6
Toronto-Dominion Bank 1.727% Jul 31 2018	1.6
Toronto-Dominion Bank 1.821% Sep 27 2018	1.6
Inter Pipeline Ltd. 1.751% Jul 19 2018	1.6
Fusion Trust 1.774% Jul 30 2018	1.6
Banner Trust 1.580% Jul 20 2018	1.6
King Street Funding Trust 1.709% Aug 23 2018	1.5
SURE Trust 1.710% Aug 7 2018	1.5
SOUND Trust 1.698% Jul 19 2018	1.5
Top 25 Holdings	52.8

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.



MONEY MARKET FUND

RBC \$U.S. MONEY MARKET 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 (in USD)

Investment Objective and Strategies

The Fund seeks to provide U.S. dollar current income and liquidity consistent with short-term U.S. money-market rates.

To preserve the value of the investment, the Fund is invested primarily in high-quality short-term (one year or less) debt securities including Treasury bills, bankers acceptances and commercial paper.

Results of Operations

The Fund's net asset value was \$267 million as of June 30, 2018.

As of June 30, 2018, the current yields were 2.0% for Series A units, 2.0% for Series D units and 2.3% for Series O units.

Over the past six months, the Fund's Series A units returned 0.83%. 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. In response to an extremely low interest rate environment and to support the yield to unitholders, the management fees of the Fund have been maintained at reduced levels by RBC GAM. The decision to temporarily reduce management fees is determined at the discretion of RBC GAM.

Short-term market interest rates climbed during the period, with the U.S. Federal Reserve (the "Fed"), under new chairman Jerome Powell, continuing to tighten monetary policy in response to quickening economic growth and rising inflation. The Fed raised rates twice during the period as the U.S. economy expanded at the fastest sustained rate since the financial crisis, unemployment fell near record lows and the global economy gathered momentum. Inflation began to stir as labour shortages boosted wage growth and higher commodity prices fed into retail prices.

The portfolio manager managed the Fund's average term to maturity around the Fed's policy-announcement dates in order to capture the higher market yields that followed policy rate hikes. Once a rate hike took place, most maturities were timed to coincide with the next expected hike date. Accordingly, the average term to maturity was never very high, with occasional longer-term investments made to gain higher yields. The Fund was dominated by asset-backed commercial paper as corporate-paper issuance was thin and bank-paper yields were relatively low. Regulatory liquidity requirements were satisfied through holdings of provincial and federal debt.

Recent Developments

With the economic outlook improving, inflation pressures in the U.S. are on the upswing, leading investors to expect continued gradual tightening to contain these pressures. The Fed has signaled two more rate hikes this year, followed by as many as three next year, contingent on sustainable economic growth. The process of raising interest rates to levels that have tended to prevail historically is expected to be gradual. However, the Fed could be forced to accelerate the pace if inflation increases faster than expected. The portfolio manager expects in the coming months to favour short-term investments, which would be less susceptible to declines in an environment of faster inflation.

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.

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 (in USD)

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	10.00	0.10	(0.02)	—	—	0.08	(0.08)	—	—	—	(0.08)	10.00
Dec. 31, 2017	10.00	0.13	(0.03)	—	—	0.10	(0.10)	—	—	—	(0.10)	10.00
Dec. 31, 2016	10.00	0.08	(0.03)	—	—	0.05	(0.05)	—	—	—	(0.05)	10.00
Dec. 31, 2015	10.00	0.04	(0.02)	—	—	0.02	(0.02)	—	—	—	(0.02)	10.00
Dec. 31, 2014	10.00	0.03	(0.02)	—	—	0.01	(0.01)	—	—	—	(0.01)	10.00
Dec. 31, 2013	10.00	0.03	(0.02)	—	—	0.01	(0.01)	—	—	—	(0.01)	10.00
Series D												
June 30, 2018	10.00	0.10	(0.01)	—	—	0.09	(0.09)	—	—	—	(0.09)	10.00
Dec. 31, 2017	10.00	0.14	(0.03)	—	—	0.11	(0.11)	—	—	—	(0.11)	10.00
Dec. 31, 2016	10.00	0.09	(0.03)	—	—	0.06	(0.06)	—	—	—	(0.06)	10.00
Dec. 31, 2015	10.00	0.03	(0.02)	—	—	0.01	(0.01)	—	—	—	(0.01)	10.00
Dec. 31, 2014	10.00	0.03	(0.02)	—	—	0.01	(0.01)	—	—	—	(0.01)	10.00
Dec. 31, 2013	10.00	0.03	(0.02)	—	—	0.01	(0.02)	—	—	—	(0.02)	10.00
Series O												
June 30, 2018	10.00	0.10	—	—	—	0.10	(0.10)	—	—	—	(0.10)	10.00
Dec. 31, 2017	10.00	0.14	—	—	—	0.14	(0.14)	—	—	—	(0.14)	10.00
Dec. 31, 2016	10.00	0.08	—	—	—	0.08	(0.08)	—	—	—	(0.08)	10.00
Dec. 31, 2015	10.00	0.04	—	—	—	0.04	(0.04)	—	—	—	(0.04)	10.00
Dec. 31, 2014	10.00	0.02	—	—	—	0.02	(0.02)	—	—	—	(0.02)	10.00
Dec. 31, 2013	10.00	0.03	—	—	—	0.03	(0.04)	—	—	—	(0.04)	10.00

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.



FINANCIAL HIGHLIGHTS (in USD) (cont.)

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	10.00	100 809	10 080	0.33	1.05	n/a	—
Dec. 31, 2017	10.00	95 886	9 588	0.33	0.33	n/a	—
Dec. 31, 2016	10.00	93 352	9 335	0.30	0.30	n/a	—
Dec. 31, 2015	10.00	106 553	10 655	0.17	0.17	n/a	—
Dec. 31, 2014	10.00	142 087	14 209	0.17	0.17	n/a	—
Dec. 31, 2013	10.00	171 061	17 106	0.21	0.21	n/a	—
Series D							
June 30, 2018	10.00	57 772	5 777	0.28	0.72	n/a	—
Dec. 31, 2017	10.00	42 903	4 290	0.28	0.28	n/a	—
Dec. 31, 2016	10.00	25 494	2 549	0.25	0.25	n/a	—
Dec. 31, 2015	10.00	19 855	1 985	0.17	0.17	n/a	—
Dec. 31, 2014	10.00	23 125	2 312	0.17	0.17	n/a	—
Dec. 31, 2013	10.00	27 081	2 708	0.21	0.21	n/a	—
Series O							
June 30, 2018	10.00	108 894	10 889	0.02	0.02	n/a	—
Dec. 31, 2017	10.00	101 197	10 119	0.02	0.02	n/a	—
Dec. 31, 2016	10.00	18 359	1 836	0.02	0.02	n/a	—
Dec. 31, 2015	10.00	8 092	809	0.02	0.02	n/a	—
Dec. 31, 2014	10.00	1 521	152	0.02	0.02	n/a	—
Dec. 31, 2013	10.00	1 811	181	0.02	0.02	n/a	—

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.

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	0.85%	29%	71%
Series D	0.60%	17%	83%

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.

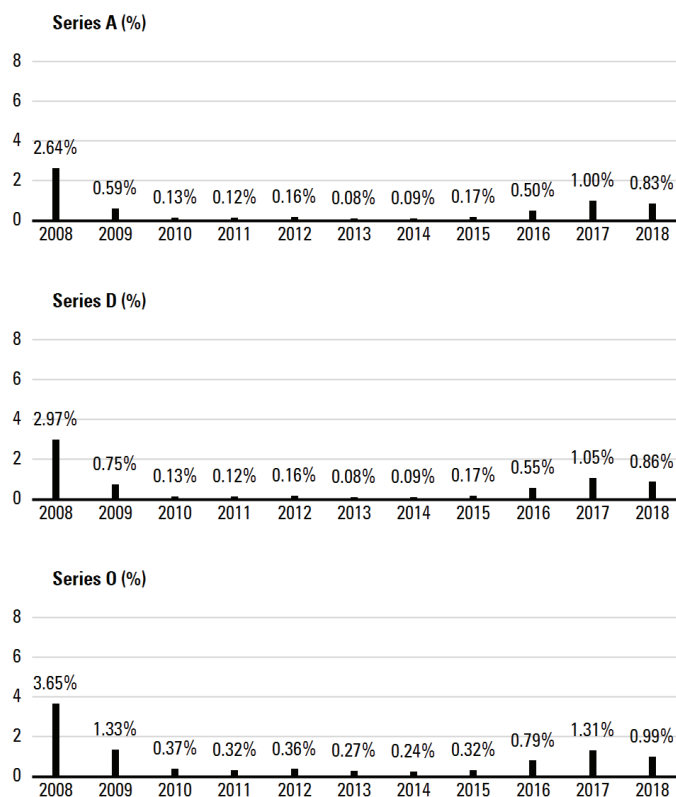


PAST PERFORMANCE (in USD)

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.



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 (in USD)

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
Commercial Paper	79.5
Federal Obligations	9.0
Provincial Obligations	6.4
Bankers Acceptances and Bank Obligations	6.4
Cash/Other	(1.3)

Top 25 Holdings

	% of Net Asset Value
OMERS Realty Corp. 2.300% Sep 5 2018	6.3
Province of Quebec 2.021% Aug 13 2018	5.6
Farm Credit Canada 1.983% Jul 25 2018	5.4
BNP Paribas Capital Trust 2.301% Jul 9 2018	5.3
SOUND Trust 2.529% Nov 9 2018	4.3
SURE Trust 2.349% Sep 17 2018	3.7
Zeus Receivables Trust - Senior Notes 2.382% Sep 27 2018	3.0
STABLE Trust 2.349% Sep 17 2018	3.0
Merit Trust - Senior Notes 2.349% Sep 17 2018	2.6
Prime Trust - Senior Notes 2.399% Aug 23 2018	2.4
Ridge Trust 2.401% Oct 23 2018	2.4
OMERS Realty Corp. 2.104% Jul 26 2018	2.1
Prime Trust - Senior Notes 2.300% Sep 27 2018	2.1
Farm Credit Canada 2.152% Aug 1 2018	2.0
Enbridge Pipelines Inc. 2.422% Jul 6 2018	1.9
SAFE Trust - Series 1996-1 2.318% Sep 18 2018	1.9
National Bank of Canada 2.002% Jul 3 2018	1.7
Farm Credit Canada 2.048% Jul 20 2018	1.7
Clarity Trust 2.176% Jul 23 2018	1.6
Fusion Trust 2.187% Jul 27 2018	1.6
Bank of Montreal 2.519% Jul 18 2018	1.5
Canadian Master Trust - Series A 2.401% Oct 23 2018	1.4
Zeus Receivables Trust - Senior Notes 2.380% Jul 23 2018	1.4
Banner Trust 2.480% Dec 21 2018	1.4
SURE Trust, 2.402% Jul 27 2018	1.4
Top 25 Holdings	67.7

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.



MONEY MARKET FUND

**RBC PREMIUM \$U.S. MONEY
MARKET 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 (in USD)

Investment Objective and Strategies

The Fund seeks to provide current income and liquidity consistent with short-term money market rates for investors who have at least US\$100,000 to invest.

To preserve the value of the investment, the Fund is invested primarily in high-quality, short-term (one year or less) debt securities denominated in U.S. dollars. These include treasury bills issued or guaranteed by Canadian or foreign governments, bankers acceptances and commercial paper issued by Canadian or foreign corporations and agencies such as the World Bank.

Results of Operations

The Fund's net asset value was \$557 million as of June 30, 2018.

As of June 30, 2018, the current yields were 2.1% for Series A units and 2.1% for Series F units.

Over the past six months, the Fund's Series A units returned 0.89%. 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. In response to an extremely low interest rate environment and to support the yield to unitholders, the management fees of the Fund have been maintained at reduced levels by RBC GAM. The decision to temporarily reduce management fees is determined at the discretion of RBC GAM.

Short-term market interest rates climbed during the period, with the U.S. Federal Reserve (the "Fed"), under new chairman Jerome Powell, continuing to tighten monetary policy in response to quickening economic growth and rising inflation. The Fed raised rates twice during the period as the U.S. economy expanded at the fastest sustained rate since the financial crisis, unemployment fell near record lows and the global economy gathered momentum. Inflation began to stir as labour shortages boosted wage growth and higher commodity prices fed into retail prices.

The portfolio manager managed the Fund's average term to maturity around the Fed's policy-announcement dates in order to capture the higher market yields that followed policy rate hikes. Once a rate hike took place, most maturities were timed to coincide with the next expected hike date. Accordingly, the average term to maturity was never very high, with occasional longer-term investments made to gain higher yields. The Fund was dominated by asset-backed commercial paper as corporate-paper issuance was thin and bank-paper yields were relatively low. Regulatory liquidity requirements were satisfied through holdings of provincial and federal debt.

Recent Developments

With the economic outlook improving, inflation pressures in the U.S. are on the upswing, leading investors to expect continued gradual tightening to contain these pressures. The Fed has signaled two more rate hikes this year, followed by as many as three next year, contingent on sustainable economic growth. The process of raising interest rates to levels that have tended to prevail historically is expected to be gradual. However, the Fed could be forced to accelerate the pace if inflation increases faster than expected. The portfolio manager expects in the coming months to favour short-term investments, which would be less susceptible to declines in an environment of faster inflation.

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.

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 (in USD)

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	Total	
Series A												
June 30, 2018	10.02	0.09	(0.01)	—	—	0.08	(0.09)	—	—	—	(0.09)	10.01
Dec. 31, 2017	10.02	0.13	(0.02)	—	—	0.11	(0.11)	—	—	—	(0.11)	10.02
Dec. 31, 2016	10.02	0.08	(0.02)	—	—	0.06	(0.06)	—	—	—	(0.06)	10.02
Dec. 31, 2015	10.02	0.03	(0.01)	—	—	0.02	(0.02)	—	—	—	(0.02)	10.02
Dec. 31, 2014	10.02	0.02	(0.01)	—	—	0.01	(0.01)	—	—	—	(0.01)	10.02
Dec. 31, 2013	10.02	0.03	(0.02)	—	—	0.01	(0.01)	—	—	—	(0.01)	10.02
Series F												
June 30, 2018	10.02	0.13	(0.01)	—	—	0.12	(0.09)	—	—	—	(0.09)	10.05
Dec. 31, 2017	10.02	0.13	(0.01)	—	—	0.12	(0.12)	—	—	—	(0.12)	10.02
Dec. 31, 2016	10.02	0.10	(0.01)	—	—	0.09	(0.06)	—	—	—	(0.06)	10.02
Dec. 31, 2015	10.02	0.03	(0.01)	—	—	0.02	(0.02)	—	—	—	(0.02)	10.02
Dec. 31, 2014	10.02	0.02	(0.01)	—	—	0.01	(0.01)	—	—	—	(0.01)	10.02
Dec. 31, 2013	10.02	0.03	(0.02)	—	—	0.01	(0.01)	—	—	—	(0.01)	10.02

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.



FINANCIAL HIGHLIGHTS (in USD) (cont.)

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	10.01	490 853	48 866	0.24	0.41	n/a	—
Dec. 31, 2017	10.02	446 226	44 384	0.24	0.24	n/a	—
Dec. 31, 2016	10.02	324 021	32 166	0.22	0.22	n/a	—
Dec. 31, 2015	10.02	276 402	27 403	0.13	0.13	n/a	—
Dec. 31, 2014	10.00	345 022	34 266	0.13	0.13	n/a	—
Dec. 31, 2013	10.00	433 996	43 400	0.18	0.18	n/a	—
Series F							
June 30, 2018	10.05	69 008	6 870	0.24	0.30	n/a	—
Dec. 31, 2017	10.02	66 076	6 596	0.24	0.24	n/a	—
Dec. 31, 2016	10.02	15 199	1 509	0.22	0.22	n/a	—
Dec. 31, 2015	10.02	9 661	958	0.13	0.13	n/a	—
Dec. 31, 2014	10.00	14 234	1 414	0.13	0.13	n/a	—
Dec. 31, 2013	10.00	19 614	1 961	0.18	0.18	n/a	—

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.

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	0.35%	71%	29%
Series F	0.25%	—	100%

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

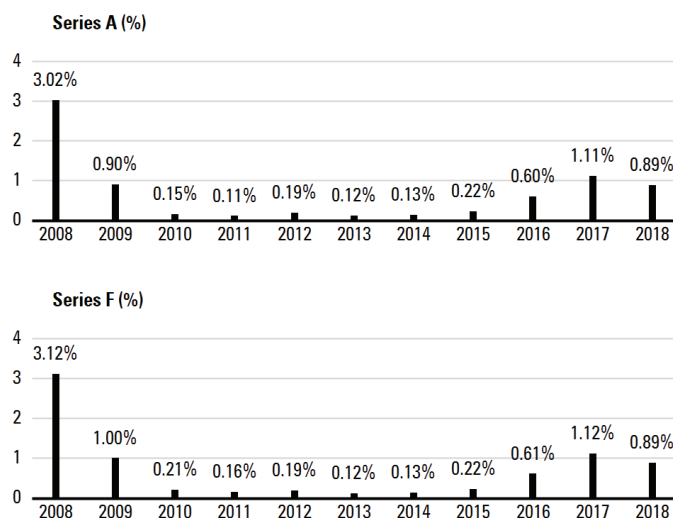


PAST PERFORMANCE (in USD)

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.



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 (in USD)

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
Commercial Paper	76.4
Provincial Obligations	14.6
Bankers Acceptances and Bank Obligations	7.3
Federal Obligations	0.5
Cash/Other	1.2

Top 25 Holdings

	% of Net Asset Value
SAFE Trust - Series 1996-1 2.085% Jul 23 2018	4.7
Province of Ontario 2.029% Aug 3 2018	4.5
Enbridge Pipelines Inc. 2.427% Jul 17 2018	4.5
Province of Alberta 2.180% Aug 20 2018	4.1
BNP Paribas Capital Trust 2.298% Jul 24 2018	4.0
Ridge Trust 2.399% Aug 9 2018	3.1
Merit Trust - Senior Notes 2.300% Sep 27 2018	3.1
Ridge Trust 2.630% Dec 3 2018	2.8
Zeus Receivables Trust - Senior Notes 2.349% Sep 17 2018	2.6
OMERS Realty Corp. 2.300% Sep 19 2018	2.6
Zeus Receivables Trust - Senior Notes 2.382% Sep 27 2018	2.5
Province of Quebec 2.052% Sep 27 2018	2.5
Prime Trust - Senior Notes 2.549% Nov 23 2018	2.4
Clarity Trust 2.380% Jul 20 2018	2.2
SURE Trust 2.349% Sep 17 2018	1.9
Clarity Trust 2.530% Nov 8 2018	1.9
SOUND Trust 2.402% Jul 27 2018	1.8
Banner Trust 2.300% Sep 27 2018	1.8
STABLE Trust 2.349% Sep 17 2018	1.7
SURE Trust 2.491% Dec 21 2018	1.7
Bank of Nova Scotia 2.077% Jul 12 2018	1.7
Banner Trust 2.480% Dec 21 2018	1.6
Prime Trust - Senior Notes 2.349% Sep 17 2018	1.6
Merit Trust - Senior Notes 2.549% Nov 23 2018	1.6
Caisse Centrale Desjardins 1.983% Jul 9 2018	1.5
Top 25 Holdings	64.4

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.



FIXED-INCOME FUND

**RBC CANADIAN SHORT-TERM
INCOME 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 a competitive level of monthly income by investing primarily in short-term, high-quality fixed-income securities issued or guaranteed by Canadian federal, provincial or municipal governments or corporations. The Fund may also invest in high-quality first mortgages on Canadian residential property.

Results of Operations

The Fund's net asset value was \$5.7 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units were unchanged. 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.

Canadian fixed-income markets initially weakened in early 2018 as a firming domestic economy, tighter U.S. monetary policy and a recovering global economy weighed on bond prices. The Canadian economy slowed somewhat following last year's significant improvement, limiting the Bank of Canada (the "BOC") to one interest-rate hike early in the year. The U.S. Federal Reserve (the "Fed") increased rates twice and suggested more hikes are in store. This pushed up Treasury yields and pushed down prices, and had a similar effect on Canadian short-term bonds. Later in the year, however, Canadian bond yields began to decline more quickly than yields on their U.S. counterparts as growing concern over negotiations involving the North American Free Trade Agreement and a looming trade war between the U.S. and Canada appeared to trim the odds that the BOC would raise rates in the near term.

Given that bond yields rose gradually, the portfolio manager selectively traded government bonds to capture trading opportunities. Exposure to non-government securities remained stable as valuations were not attractive enough to justify adding to the Fund's holdings and the Fund was managed such that changes in interest rates would not have a significant impact on relative returns. The Fund's returns benefited from relative exposure to both corporate and provincial bonds.

Recent Developments

The BOC may proceed with additional interest-rate hikes, in the view of the portfolio manager. A number of concerns that led the BOC to pause have receded, and although the Canadian economy is growing at a lacklustre rate, short-term rates are too low given the length of the economic recovery. One development making Canadian rate hikes more likely is the Fed's recent rate increases, which would let the BOC boost rates without leading to excessive strength in the Canadian dollar. In any case, the portfolio manager expects that the BOC would raise rates at a gradual pace.

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.

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	Total	
Series A												
June 30, 2018	10.48	0.12	(0.05)	(0.01)	(0.06)	—	(0.08)	—	—	—	(0.08)	10.40
Dec. 31, 2017	10.68	0.25	(0.11)	(0.03)	(0.17)	(0.06)	(0.14)	—	—	—	(0.14)	10.48
Dec. 31, 2016	10.81	0.28	(0.12)	(0.04)	(0.08)	0.04	(0.16)	—	—	—	(0.16)	10.68
Dec. 31, 2015	10.84	0.30	(0.13)	(0.02)	—	0.15	(0.18)	—	—	—	(0.18)	10.81
Dec. 31, 2014	10.80	0.32	(0.13)	(0.02)	0.06	0.23	(0.19)	—	—	—	(0.19)	10.84
Dec. 31, 2013	10.90	0.34	(0.13)	(0.05)	(0.05)	0.11	(0.20)	—	—	—	(0.20)	10.79
Advisor Series												
June 30, 2018	10.53	0.12	(0.05)	(0.01)	(0.06)	—	(0.08)	—	—	—	(0.08)	10.46
Dec. 31, 2017	10.73	0.25	(0.11)	(0.03)	(0.17)	(0.06)	(0.14)	—	—	—	(0.14)	10.53
Dec. 31, 2016	10.86	0.28	(0.12)	(0.04)	(0.08)	0.04	(0.16)	—	—	—	(0.16)	10.73
Dec. 31, 2015	10.90	0.30	(0.13)	(0.02)	—	0.15	(0.18)	—	—	—	(0.18)	10.86
Dec. 31, 2014	10.86	0.32	(0.13)	(0.02)	0.06	0.23	(0.19)	—	—	—	(0.19)	10.90
Dec. 31, 2013	10.95	0.34	(0.13)	(0.05)	(0.05)	0.11	(0.21)	—	—	—	(0.21)	10.85
Series D												
June 30, 2018	10.51	0.12	(0.03)	(0.01)	(0.06)	0.02	(0.10)	—	—	—	(0.10)	10.43
Dec. 31, 2017	10.71	0.25	(0.07)	(0.03)	(0.18)	(0.03)	(0.18)	—	—	—	(0.18)	10.51
Dec. 31, 2016	10.84	0.28	(0.08)	(0.04)	(0.10)	0.06	(0.20)	—	—	—	(0.20)	10.71
Dec. 31, 2015	10.87	0.30	(0.08)	(0.02)	—	0.20	(0.22)	—	—	—	(0.22)	10.84
Dec. 31, 2014	10.83	0.32	(0.08)	(0.02)	0.06	0.28	(0.24)	—	—	—	(0.24)	10.87
Dec. 31, 2013	10.93	0.34	(0.08)	(0.05)	(0.05)	0.16	(0.26)	—	—	—	(0.26)	10.82
Series F												
June 30, 2018	10.56	0.12	(0.03)	(0.01)	(0.06)	0.02	(0.11)	—	—	—	(0.11)	10.49
Dec. 31, 2017	10.77	0.25	(0.05)	(0.03)	(0.20)	(0.03)	(0.21)	—	—	—	(0.21)	10.56
Dec. 31, 2016	10.90	0.28	(0.06)	(0.04)	(0.14)	0.04	(0.22)	—	—	—	(0.22)	10.77
Dec. 31, 2015	10.93	0.30	(0.07)	(0.02)	—	0.21	(0.24)	—	—	—	(0.24)	10.90
Dec. 31, 2014	10.89	0.32	(0.07)	(0.02)	0.06	0.29	(0.25)	—	—	—	(0.25)	10.93
Dec. 31, 2013	10.99	0.34	(0.07)	(0.05)	(0.05)	0.17	(0.27)	—	—	—	(0.27)	10.88
Series O												
June 30, 2018	10.54	0.12	—	(0.01)	(0.05)	0.06	(0.13)	—	—	—	(0.13)	10.47
Dec. 31, 2017	10.75	0.25	—	(0.03)	(0.18)	0.04	(0.25)	—	—	—	(0.25)	10.54
Dec. 31, 2016	10.88	0.28	—	(0.04)	(0.10)	0.14	(0.28)	—	—	—	(0.28)	10.75
Dec. 31, 2015	10.91	0.30	—	(0.02)	—	0.28	(0.30)	—	—	—	(0.30)	10.88
Dec. 31, 2014	10.87	0.32	—	(0.02)	0.06	0.36	(0.31)	—	—	—	(0.31)	10.91
Dec. 31, 2013	10.96	0.34	—	(0.05)	(0.05)	0.24	(0.34)	—	—	—	(0.34)	10.86

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.



FINANCIAL HIGHLIGHTS (cont.)

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	10.40	539 714	51 882	1.05	1.05	30.77	—
Dec. 31, 2017	10.48	637 705	60 869	1.04	1.04	28.17	—
Dec. 31, 2016	10.68	838 389	78 497	1.10 ⁴	1.10	30.90	—
Dec. 31, 2015	10.81	958 343	88 668	1.16	1.16	30.67	—
Dec. 31, 2014	10.84	1 142 935	105 441	1.16	1.16	36.84	—
Dec. 31, 2013	10.80	1 531 387	141 754	1.22	1.22	45.34	—
Advisor Series							
June 30, 2018	10.46	17 998	1 721	1.04	1.04	30.77	—
Dec. 31, 2017	10.53	20 129	1 911	1.04	1.04	28.17	—
Dec. 31, 2016	10.73	25 152	2 343	1.10 ⁴	1.10	30.90	—
Dec. 31, 2015	10.86	26 001	2 393	1.16	1.16	30.67	—
Dec. 31, 2014	10.90	27 560	2 529	1.16	1.16	36.84	—
Dec. 31, 2013	10.86	33 727	3 106	1.16	1.16	45.34	—
Series D							
June 30, 2018	10.43	18 769	1 799	0.66	0.66	30.77	—
Dec. 31, 2017	10.51	22 803	2 170	0.66	0.66	28.17	—
Dec. 31, 2016	10.71	24 826	2 317	0.71 ⁴	0.71	30.90	—
Dec. 31, 2015	10.84	21 582	1 991	0.77	0.77	30.67	—
Dec. 31, 2014	10.87	21 077	1 940	0.76	0.76	36.84	—
Dec. 31, 2013	10.83	27 435	2 532	0.77	0.77	45.34	—
Series F							
June 30, 2018	10.49	30 968	2 953	0.49	0.49	30.77	—
Dec. 31, 2017	10.56	39 644	3 753	0.49	0.49	28.17	—
Dec. 31, 2016	10.77	29 528	2 741	0.54 ⁴	0.54	30.90	—
Dec. 31, 2015	10.90	11 717	1 075	0.60	0.60	30.67	—
Dec. 31, 2014	10.93	11 341	1 038	0.60	0.60	36.84	—
Dec. 31, 2013	10.89	11 870	1 090	0.61	0.61	45.34	—
Series O							
June 30, 2018	10.47	5 050 433	482 431	0.02	0.02	30.77	—
Dec. 31, 2017	10.54	4 765 340	451 958	0.02	0.02	28.17	—
Dec. 31, 2016	10.75	4 228 496	393 436	0.02	0.02	30.90	—
Dec. 31, 2015	10.88	3 685 300	338 783	0.02	0.02	30.67	—
Dec. 31, 2014	10.91	3 968 376	363 822	0.02	0.02	36.84	—
Dec. 31, 2013	10.87	3 200 651	294 524	0.02	0.02	45.34	—

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 – 1.05%, Advisor Series – 1.04%, Series D – 0.66% and Series F – 0.49%.



FINANCIAL HIGHLIGHTS (cont.)

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	0.90%	50%	50%
Advisor Series	0.90%	50%	50%
Series D	0.55%	23%	77%
Series F	0.40%	—	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.

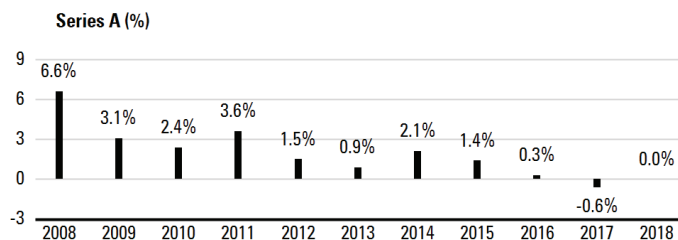
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

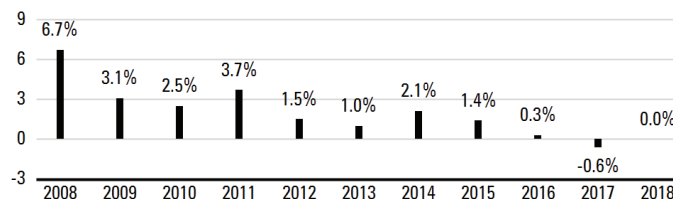
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

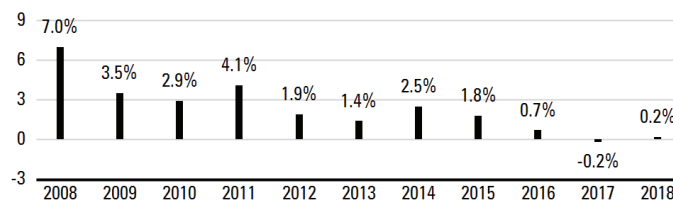
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



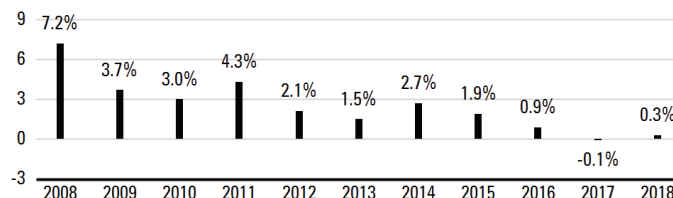
Advisor Series (%)



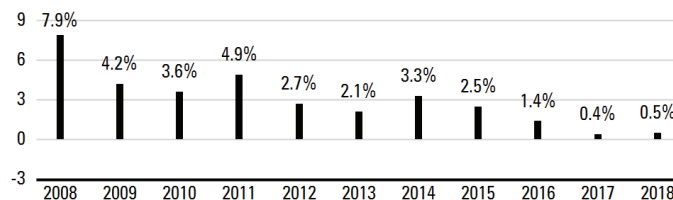
Series D (%)



Series F (%)



Series O (%)



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
Corporate Bonds	45.6
Federal Bonds	26.2
Provincial/Municipal Bonds	25.9
Cash/Other	2.3

Top 25 Holdings

	% of Net Asset Value
Government of Canada 0.500% Mar 1 2022	3.2
Government of Canada 0.500% Feb 1 2019	2.9
Canada Housing Trust No. 1 3.350% Dec 15 2020	2.9
Province of Ontario 2.100% Sep 8 2019	2.9
Province of Ontario 2.850% Jun 2 2023	2.8
Province of Ontario 4.000% Jun 2 2021	2.7
Government of Canada 1.500% Jun 1 2023	2.6
Province of Quebec 3.500% Dec 1 2022	2.3
Canada Housing Trust No. 1 1.250% Jun 15 2021	2.0
Government of Canada 0.750% Sep 1 2020	1.9
Cash & Cash Equivalents	1.8
Government of Canada 1.750% Mar 1 2023	1.8
Province of Ontario 1.350% Mar 8 2022	1.7
Canada Housing Trust No. 1 2.650% Mar 15 2022	1.5
Province of Ontario 2.100% Sep 8 2018	1.5
Province of New Brunswick 4.500% Jun 2 2020	1.5
Province of Manitoba 1.550% Sep 5 2021	1.4
Canada Housing Trust No. 1 1.750% Jun 15 2022	1.4
Province of Quebec 4.500% Dec 1 2020	1.3
HSBC Bank Canada 3.245% Sep 15 2023	1.3
National Bank of Canada 1.809% Jul 26 2021	1.2
Province of Quebec 4.500% Dec 1 2019	1.2
Province of Alberta 1.350% Sep 1 2021	1.2
Bank of Montreal 2.270% Jul 11 2022	1.1
Government of Canada 0.750% Mar 1 2021	1.1
Top 25 Holdings	47.2

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.



FIXED-INCOME FUND

**RBC \$U.S. SHORT-TERM
CORPORATE BOND FUND**

June 30, 2018

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

Sub-Advisor (for the underlying fund): RBC Global Asset Management (U.S.) Inc.,
Minneapolis, Minnesota

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 (in USD)

Investment Objective and Strategies

The Fund seeks to provide regular monthly income with the potential for modest capital growth by investing primarily in a well-diversified portfolio of short-term fixed-income securities issued in the U.S. market by U.S. and foreign corporations either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate of RBC GAM.

The Fund invests up to 100% of its assets in units of the RBC Short Term U.S. Corporate Bond ETF (the “underlying fund”), which is sub-advised by RBC Global Asset Management (U.S.) Inc. The underlying fund invests primarily in investment-grade short-duration fixed-income securities issued in the U.S. market by U.S. and foreign corporations rated BBB(-) and above by Standard & Poor’s (or equivalent rating agency).

Results of Operations

The Fund was launched on January 29, 2018, and its net asset value was \$27 million as of June 30, 2018. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

The rise in short-term rates so far in 2018 should benefit the Fund in the second half of the year. While corporate-bond yields have risen relative to those on Treasuries, a possible sign of investors’ declining appetite for riskier assets, the outlook for profits is supported by a strong U.S. economy and recent tax reform.

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.

Sub-Advisor

RBC Global Asset Management (U.S.) Inc. is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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 \$10,000 or 26% 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 (in USD)

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, 2018³	10.00[†]	0.16	(0.04)	(0.11)	(0.11)	(0.10)	(0.02)	—	—	—	(0.02)	9.83
Advisor Series												
June 30, 2018³	10.00[†]	0.45	(0.04)	(0.32)	(0.23)	(0.14)	(0.02)	—	—	—	(0.02)	9.83
Series D												
June 30, 2018³	10.00[†]	0.09	(0.03)	(0.06)	—	—	(0.03)	—	—	—	(0.03)	9.83
Series F												
June 30, 2018³	10.00[†]	0.04	(0.02)	(0.03)	(0.01)	(0.02)	(0.04)	—	—	—	(0.04)	9.83
Series O												
June 30, 2018³	10.00[†]	0.04	—	(0.03)	(0.03)	(0.02)	(0.06)	—	—	—	(0.06)	9.83

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 January 17, 2018.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (in USD) (cont.)

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, 2018⁴	9.83	1 221	124	0.99	1.41	6.29	0.73
Advisor Series							
June 30, 2018⁴	9.83	1	—	0.99	1.41	6.29	0.73
Series D							
June 30, 2018⁴	9.83	82	8	0.73	1.15	6.29	0.73
Series F							
June 30, 2018⁴	9.83	817	83	0.43	0.85	6.29	0.73
Series O							
June 30, 2018⁴	9.83	24 846	2 528	0.02	0.44	6.29	0.73

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 From January 17, 2018.

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	0.85%	59%	41%
Advisor Series	0.85%	59%	41%
Series D	0.60%	42%	58%
Series F	0.35%	—	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 (in USD)

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Advisor Series, Series D, Series F and Series O units of this Fund were launched on January 29, 2018.

SUMMARY OF INVESTMENT PORTFOLIO (in USD)

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
United States	80.9
United Kingdom	4.6
Australia	4.1
Canada	3.5
Netherlands	3.4
Other Countries	2.0
Cash/Other	1.5

Top 25 Holdings*

	% of Net Asset Value
JPMorgan Chase & Co. 2.750% Jun 23, 2020	1.4
Bank of America Corp. 2.328% Oct 1, 2021	1.4
Bank of America Corp. 2.503% Oct 21, 2022	1.4
Baker Hughes a GE Co. LLC 2.773% Dec 15, 2022	1.2
The Southern Co. 2.350% Jul 1, 2021	1.2
JPMorgan Chase & Co. 2.700% May 18, 2023	1.2
WEC Energy Group Inc. 3.375% Jun 15, 2021	1.2
ONEOK Inc. 4.250% Feb 1, 2022	1.1
The Goldman Sachs Group Inc. 2.350% Nov 15, 2021	1.1
Citigroup Inc. 2.700% Mar 30, 2021	1.1
JPMorgan Chase & Co. 2.295% Aug 15, 2021	1.1
Citigroup Inc. 2.876% Jul 24, 2023	1.1
Vodafone Group Plc. USD 3.750% Jan 16, 2024	1.0
Broadcom Corp. 3.000% Jan 15, 2022	1.0
AT&T Inc. 5.000% Mar 1, 2021	1.0
Kinder Morgan Energy Partners LP 5.000% Oct 1, 2021	1.0
Anadarko Petroleum Corp. 4.850% Mar 15, 2021	1.0
Noble Energy Inc. 4.150% Dec 15, 2021	1.0
Union Pacific Corp. 3.500% Jun 8, 2023	1.0
Lam Research Corp. 2.800% Jun 15, 2021	1.0
Williams Partners LP 3.350% Aug 15, 2022	1.0
Analog Devices Inc. 2.500% Dec 5, 2021	1.0
Morgan Stanley 2.750% May 19, 2022	1.0
Northrop Grumman Corp. 2.550% Oct 15, 2022	1.0
Public Service Enterprise Group Inc. 2.650% Nov 15, 2022	1.0
Top 25 Holdings	27.5

* The Fund invests substantially all of its assets directly in the RBC Short Term U.S. Corporate Bond ETF. The above are the Top 25 holdings of the RBC Short Term U.S. Corporate Bond ETF.

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.



FIXED-INCOME FUND

RBC MONTHLY INCOME BOND 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 regular monthly income with the potential for modest capital appreciation by investing primarily in units of fixed-income funds managed by RBC GAM or an affiliate (called the “underlying funds”). To achieve its objective, the Fund invests in underlying funds from the RBC Funds family or the PH&N Funds family.

The portfolio manager allocates and rebalances the Fund’s assets among underlying funds based on the underlying funds’ ability to help the Fund meet its investment objectives.

Results of Operations

The Fund’s net asset value was \$1.0 billion as of June 30, 2018.

Over the past six months, the Fund’s Series A units lost 0.1%. 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.

The Fund made monthly distributions of 2.25 cents per Series A unit in the first half of 2018.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Canadian bonds posted modest gains during the first half of 2018. Trade tensions and a hint of slowing global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher rates. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada (the “BOC”) boosted its benchmark rate once, in line with a strengthening North American economy. The BOC implied in May that it would continue to raise rates while monitoring the risk of trade tensions with the U.S. Canadian government-bond yields fell on fears that the escalating trade conflict could derail Canadian economic growth.

The Phillips, Hager & North Short Term Bond & Mortgage Fund, the Phillips, Hager & North Total Return Bond Fund and the RBC Bond Fund all had a positive impact on returns. Performance was held back by exposure to the RBC Global Corporate Bond Fund and the RBC High Yield Bond Fund.

Recent Developments

The portfolio manager expects bond yields to rise marginally over the next six months, given tightening financial conditions, the potential for temporarily higher inflation and expectations that central banks will continue to gradually raise rates. Short-term yields should continue to rise faster than those on longer-term bonds, in the view of the portfolio manager.

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.

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	Total	
Series A												
June 30, 2018	9.82	0.15	(0.05)	(0.03)	(0.09)	(0.02)	(0.10)	—	—	(0.03)	(0.13)	9.67
Dec. 31, 2017	9.95	0.29	(0.10)	0.01	(0.07)	0.13	(0.20)	—	(0.01)	(0.06)	(0.27)	9.82
Dec. 31, 2016	10.01	0.32	(0.11)	0.08	(0.08)	0.21	(0.22)	—	(0.08)	—	(0.30)	9.95
Dec. 31, 2015	10.03	0.34	(0.12)	0.06	(0.06)	0.22	(0.23)	—	(0.02)	(0.02)	(0.27)	10.01
Dec. 31, 2014	9.76	0.33	(0.12)	0.01	0.32	0.54	(0.21)	—	—	(0.06)	(0.27)	10.03
Dec. 31, 2013	10.06	0.35	(0.12)	(0.03)	(0.23)	(0.03)	(0.23)	—	—	(0.07)	(0.30)	9.76
Advisor Series												
June 30, 2018	9.83	0.15	(0.05)	(0.03)	(0.09)	(0.02)	(0.11)	—	—	(0.03)	(0.14)	9.68
Dec. 31, 2017	9.97	0.29	(0.11)	0.01	(0.06)	0.13	(0.20)	—	(0.01)	(0.06)	(0.27)	9.83
Dec. 31, 2016	10.02	0.32	(0.11)	0.08	(0.07)	0.22	(0.22)	—	(0.08)	—	(0.30)	9.97
Dec. 31, 2015	10.05	0.34	(0.12)	0.06	(0.06)	0.22	(0.23)	—	(0.02)	(0.02)	(0.27)	10.02
Dec. 31, 2014	9.77	0.33	(0.12)	0.01	0.33	0.55	(0.21)	—	—	(0.06)	(0.27)	10.05
Dec. 31, 2013	10.07	0.35	(0.11)	(0.03)	(0.23)	(0.02)	(0.23)	—	—	(0.07)	(0.30)	9.77
Series D												
June 30, 2018	10.10	0.15	(0.03)	(0.03)	(0.03)	0.06	(0.10)	—	—	(0.03)	(0.13)	9.96
Dec. 31, 2017	10.19	0.29	(0.07)	0.01	(0.08)	0.15	(0.20)	—	(0.01)	(0.06)	(0.27)	10.10
Dec. 31, 2016	10.20	0.33	(0.07)	0.08	(0.11)	0.23	(0.22)	—	(0.08)	—	(0.30)	10.19
Dec. 31, 2015	10.18	0.35	(0.08)	0.07	(0.06)	0.28	(0.23)	—	(0.02)	(0.02)	(0.27)	10.20
Dec. 31, 2014	9.87	0.33	(0.08)	0.01	0.33	0.59	(0.21)	—	—	(0.06)	(0.27)	10.18
Dec. 31, 2013	10.13	0.35	(0.08)	(0.03)	(0.23)	0.01	(0.23)	—	—	(0.07)	(0.30)	9.87
Series F												
June 30, 2018	10.21	0.15	(0.02)	(0.03)	(0.08)	0.02	(0.11)	—	—	(0.03)	(0.14)	10.08
Dec. 31, 2017	10.29	0.30	(0.05)	0.01	(0.09)	0.17	(0.20)	—	(0.01)	(0.06)	(0.27)	10.21
Dec. 31, 2016	10.28	0.33	(0.06)	0.08	(0.19)	0.16	(0.22)	—	(0.08)	—	(0.30)	10.29
Dec. 31, 2015	10.24	0.35	(0.06)	0.07	(0.06)	0.30	(0.23)	—	(0.02)	(0.02)	(0.27)	10.28
Dec. 31, 2014	9.91	0.34	(0.06)	0.01	0.33	0.62	(0.21)	—	—	(0.06)	(0.27)	10.24
Dec. 31, 2013	10.15	0.36	(0.06)	(0.03)	(0.23)	0.04	(0.23)	—	—	(0.07)	(0.30)	9.91
Series O												
June 30, 2018	10.67	0.16	—	(0.03)	(0.07)	0.06	(0.11)	—	—	(0.04)	(0.15)	10.56
Dec. 31, 2017	10.69	0.31	—	0.01	0.23	0.55	(0.20)	—	(0.01)	(0.06)	(0.27)	10.67
Dec. 31, 2016	10.63	0.31	—	0.07	(0.32)	0.06	(0.23)	—	(0.09)	—	(0.32)	10.69
Dec. 31, 2015	10.52	0.36	—	0.07	(0.06)	0.37	(0.23)	—	(0.02)	(0.02)	(0.27)	10.63
Dec. 31, 2014	10.11	0.34	—	0.01	0.34	0.69	(0.21)	—	—	(0.06)	(0.27)	10.52
Dec. 31, 2013	10.29	0.36	—	(0.03)	(0.24)	0.09	(0.23)	—	—	(0.07)	(0.30)	10.11

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.



FINANCIAL HIGHLIGHTS (cont.)

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	9.67	789 509	81 669	1.09	1.09	1.08	—
Dec. 31, 2017	9.82	956 564	97 453	1.09	1.09	6.42	—
Dec. 31, 2016	9.95	1 040 586	104 537	1.14 ⁴	1.14	5.70	—
Dec. 31, 2015	10.01	829 483	82 898	1.20	1.20	3.71	—
Dec. 31, 2014	10.03	812 294	80 949	1.20	1.20	11.92	—
Dec. 31, 2013	9.76	868 877	89 011	1.20	1.20	20.87	—
Advisor Series							
June 30, 2018	9.68	40 671	4 203	1.10	1.10	1.08	—
Dec. 31, 2017	9.83	46 340	4 716	1.10	1.10	6.42	—
Dec. 31, 2016	9.97	52 166	5 234	1.15 ⁴	1.15	5.70	—
Dec. 31, 2015	10.02	40 134	4 006	1.20	1.20	3.71	—
Dec. 31, 2014	10.05	23 324	2 321	1.20	1.20	11.92	—
Dec. 31, 2013	9.77	20 505	2 098	1.19	1.19	20.87	—
Series D							
June 30, 2018	9.96	39 564	3 971	0.70	0.70	1.08	—
Dec. 31, 2017	10.10	20 237	2 004	0.70	0.70	6.42	—
Dec. 31, 2016	10.19	19 732	1 936	0.75 ⁴	0.75	5.70	—
Dec. 31, 2015	10.20	12 280	1 204	0.81	0.81	3.71	—
Dec. 31, 2014	10.18	7 537	740	0.82	0.82	11.92	—
Dec. 31, 2013	9.87	4 856	492	0.81	0.81	20.87	—
Series F							
June 30, 2018	10.08	153 054	15 178	0.54	0.54	1.08	—
Dec. 31, 2017	10.21	144 956	14 195	0.54	0.54	6.42	—
Dec. 31, 2016	10.29	116 475	11 320	0.58 ⁴	0.58	5.70	—
Dec. 31, 2015	10.28	46 590	4 533	0.65	0.65	3.71	—
Dec. 31, 2014	10.24	18 565	1 812	0.65	0.65	11.92	—
Dec. 31, 2013	9.91	9 951	1 005	0.64	0.64	20.87	—
Series O							
June 30, 2018	10.56	56	5	0.06	0.06	1.08	—
Dec. 31, 2017	10.67	56	5	0.07	0.07	6.42	—
Dec. 31, 2016	10.69	2 404	225	0.06	0.06	5.70	—
Dec. 31, 2015	10.63	17	2	0.06	0.06	3.71	—
Dec. 31, 2014	10.52	208	20	0.06	0.06	11.92	—
Dec. 31, 2013	10.11	1	—	0.06	0.06	20.87	—

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 – 1.09%, Advisor Series – 1.10%, Series D – 0.70% and Series F – 0.54%.



FINANCIAL HIGHLIGHTS (cont.)

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	0.90%	50%	50%
Advisor Series	0.90%	50%	50%
Series D	0.55%	23%	77%
Series F	0.40%	—	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.

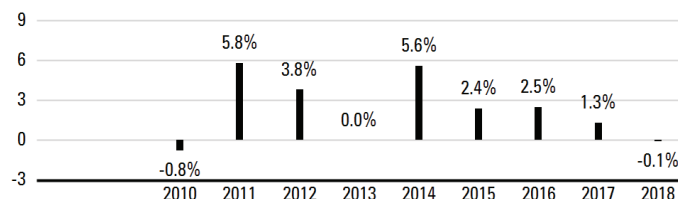
PAST PERFORMANCE

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.

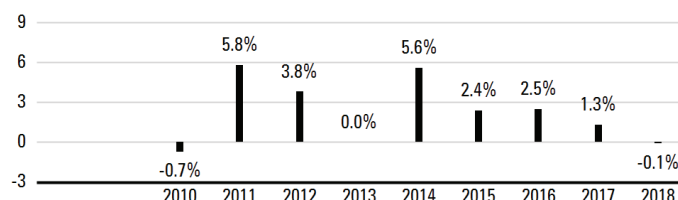
Year-by-Year Returns (%)

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.

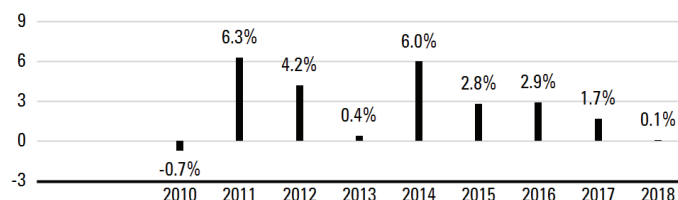
Series A (%)



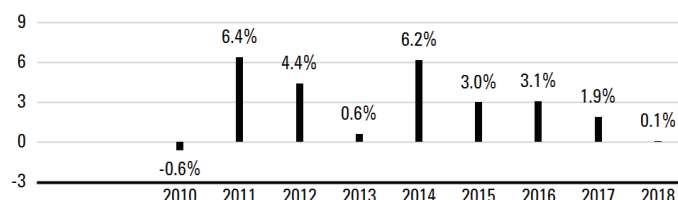
Advisor Series (%)



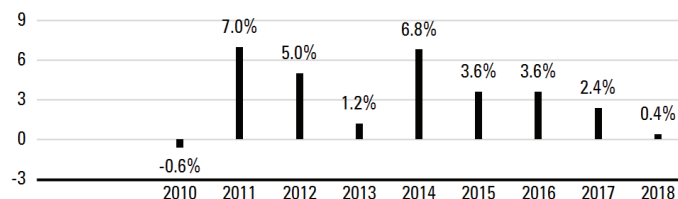
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since October 12, 2010.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series H units were re-designated as Series A units and all outstanding Series I units were re-designated as Series F units effective June 30, 2016.

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
Income Funds	99.3
Cash/Other	0.7

Top 25 Holdings*

	% of Net Asset Value
Phillips, Hager & North Short Term Bond & Mortgage Fund	39.1
RBC Bond Fund	21.8
Phillips, Hager & North Total Return Bond Fund	21.0
RBC Global Corporate Bond Fund	10.1
RBC Emerging Markets Bond Fund	5.0
RBC High Yield Bond Fund	2.2
Cash & Cash Equivalents	0.8
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



FIXED-INCOME FUND

RBC CANADIAN BOND INDEX FUND

June 30, 2018

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

Sub-Advisor (for the underlying fund): State Street Global Advisors, Ltd.

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 currently seeks to provide a total return consisting of income and modest capital gains by tracking the performance of the FTSE TMX Canada Universe + Maple Bond Index and investing primarily in units of the RBC Canadian Bond Index ETF (the “underlying fund”).

Results of Operations

The Fund’s net asset value was \$33 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units gained 0.3%. 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.

Canadian bonds posted modest gains during the first half of 2018. Trade tensions and a hint of slowing global economic growth capped government-bond yields in a period when global central-bank tightening might have been expected to lead to higher rates. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada (the “BOC”) boosted its benchmark rate once, in line with a strengthening North American economy. Although the BOC implied in May that it would continue to raise rates, trade tensions with the U.S. and weak economic data suggested that higher Canadian rates may be further delayed. Canadian government bonds outperformed U.S. Treasuries on fears that the escalating trade conflict could derail Canadian economic growth.

Recent Developments

The sub-advisor expects bond yields to rise marginally over the next six months, given tightening financial conditions, the potential for temporarily higher inflation and expectations that central banks will continue to gradually raise rates. Short-term yields should continue to rise faster than those on longer-term bonds, in the view of the sub-advisor.

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 \$2,000 (2017 – \$0) or 100% (2017 – 0%) 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	Total	Year/Period
Series A												
June 30, 2018	11.58	0.15	(0.03)	—	(0.12)	—	(0.16)	—	—	—	(0.16)	11.45
Dec. 31, 2017	11.83	0.40	(0.09)	0.26	(0.33)	0.24	(0.32)	—	(0.16)	—	(0.48)	11.58
Dec. 31, 2016	12.06	0.41	(0.11)	0.14	(0.33)	0.11	(0.30)	—	(0.04)	—	(0.34)	11.83
Dec. 31, 2015	12.04	0.42	(0.11)	0.08	(0.09)	0.30	(0.30)	—	—	—	(0.30)	12.06
Dec. 31, 2014	11.47	0.45	(0.11)	0.41	0.25	1.00	(0.33)	—	—	—	(0.33)	12.04
Dec. 31, 2013	12.04	0.44	(0.11)	0.12	(0.68)	(0.23)	(0.35)	—	—	—	(0.35)	11.46
Series F												
June 30, 2018	11.78	0.15	—	—	(0.11)	0.04	(0.20)	—	—	—	(0.20)	11.65
Dec. 31, 2017	12.05	0.41	(0.05)	0.26	(0.31)	0.31	(0.39)	—	(0.16)	—	(0.55)	11.78
Dec. 31, 2016	12.28	0.42	(0.08)	0.15	(0.36)	0.13	(0.34)	—	(0.04)	—	(0.38)	12.05
Dec. 31, 2015	12.26	0.42	(0.08)	0.08	(0.09)	0.33	(0.34)	—	—	—	(0.34)	12.28
Dec. 31, 2014	11.67	0.48	(0.07)	0.44	0.27	1.12	(0.37)	—	—	—	(0.37)	12.26
Dec. 31, 2013	12.25	0.45	(0.07)	0.13	(0.70)	(0.19)	(0.39)	—	—	—	(0.39)	11.66

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.



FINANCIAL HIGHLIGHTS (cont.)

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	11.45	26 467	2 312	0.71	0.71	3.63	0.01
Dec. 31, 2017	11.58	28 542	2 463	0.81	0.81	6.06	—
Dec. 31, 2016	11.83	33 157	2 802	0.93	0.93	16.85	—
Dec. 31, 2015	12.06	35 255	2 923	0.92	0.93	16.03	—
Dec. 31, 2014	12.04	36 130	3 000	0.93	0.93	11.87	—
Dec. 31, 2013	11.47	42 079	3 668	0.93	0.93	18.55	—
Series F							
June 30, 2018	11.65	6 897	592	0.17	0.17	3.63	0.01
Dec. 31, 2017	11.78	7 572	642	0.42	0.43	6.06	—
Dec. 31, 2016	12.05	15 570	1 292	0.61	0.61	16.85	—
Dec. 31, 2015	12.28	14 705	1 198	0.61	0.61	16.03	—
Dec. 31, 2014	12.26	10 805	881	0.60	0.60	11.87	—
Dec. 31, 2013	11.67	9 669	828	0.61	0.61	18.55	—

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.

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	0.50%	31%	69%
Series F	0.00%	—	100%

* Effective September 21, 2017, the management fees for Series A units were waived to 0.50% from 0.60%; and for Series F units were waived to 0.00% from 0.10% to account for the management fee charged by the underlying fund. Effective June 30, 2017, the management fees for Series A units were reduced to 0.60% from 0.80%; and for Series F units were reduced to 0.10% from 0.50%.

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

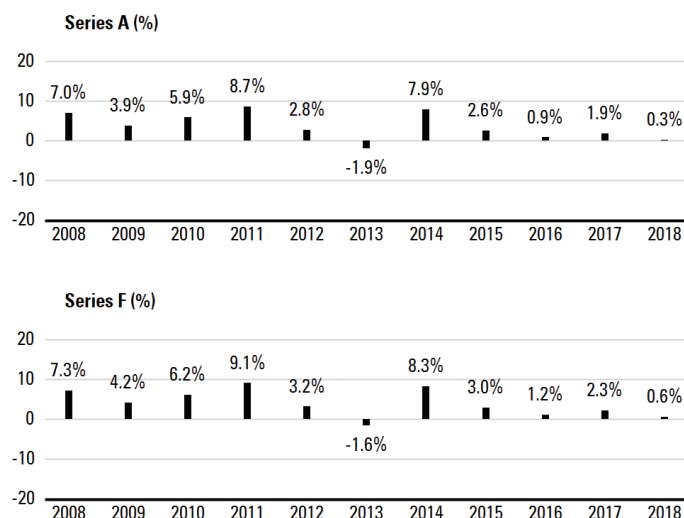


PAST PERFORMANCE

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.



Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Advisor Series units were renamed Series A units effective June 30, 2017.

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
Provincial/Municipal Bonds	35.2
Federal Bonds	32.4
Corporate Bonds	31.9
Cash/Other	0.5

Top 25 Holdings*

	% of Net Asset Value
Canada Housing Trust No. 1 3.350% Dec 15, 2020	2.9
Canada Housing Trust No. 1 1.250% Jun 15, 2021	2.5
Government of Canada 3.500% Dec 1, 2045	2.4
Province of Quebec 9.500% Mar 30, 2023	2.2
Government of Canada 1.500% Jun 1, 2026	2.1
Canada Housing Trust No. 1 2.350% Sep 15, 2023	1.8
Province of Ontario 2.600% Jun 2, 2025	1.7
TCHC Issuer Trust 4.877% May 11, 2037	1.4
Government of Canada 2.750% Dec 1, 2048	1.4
Royal Bank of Canada 2.030% Mar 15, 2021	1.2
Government of Canada 0.750% Aug 1, 2019	1.2
Government of Canada 1.000% Jun 1, 2027	1.1
Province of Quebec 5.000% Dec 1, 2041	1.1
Government of Canada 0.750% Mar 1, 2021	1.1
Greater Toronto Airports Authority 3.040% Sep 21, 2022	1.0
Government of Canada 1.000% Sep 1, 2022	1.0
Bank of Montreal 1.880% Mar 31, 2021	0.9
Province of Quebec 3.500% Dec 1, 2045	0.9
Loblaw Companies Ltd. 6.050% Jun 9, 2034	0.9
Province of Ontario 2.900% Dec 2, 2046	0.8
Province of Ontario 3.150% Jun 2, 2022	0.8
Province of Ontario 3.450% Jun 2, 2045	0.8
Government of Canada 1.500% Mar 1, 2020	0.8
Government of Canada 2.250% Jun 1, 2025	0.8
Province of Ontario, 4.200%, Jun 2, 2020	0.8
Top 25 Holdings	33.6

* The Fund invests substantially all of its assets directly in the RBC Canadian Bond Index ETF. The above are the Top 25 holdings of the RBC Canadian Bond Index ETF.

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.



FIXED-INCOME FUND

**RBC CANADIAN GOVERNMENT
BOND INDEX 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.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a total return consisting of income and moderate capital growth by tracking the performance of the FTSE TMX Canada Federal Bond Index.

The Fund invests primarily in fixed-income securities issued or guaranteed by Canadian governments in substantially the same proportion as the index, either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate of RBC GAM.

Results of Operations

The Fund's net asset value was \$160 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.4%. 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.

The Bank of Canada (the "BOC") boosted its benchmark rate once during the period, as it assessed the impact of more stringent mortgage rules and higher interest rates on the domestic economy. The BOC implied in May that it would continue to raise rates while monitoring the risk of trade tensions with the U.S. Canadian government bonds outperformed U.S. Treasuries on fears that the escalating trade conflict could derail Canadian economic growth.

Investors were concerned during the period about a development known as "yield-curve flattening," in which yields on short-term bonds rise relative to yields on long-term bonds. The trend, which has been occurring in both the U.S. and Canada, is considered a harbinger of economic recession. In fact, the yield on Canada's 30-year government bond did briefly dip below the yield on the 10-year security in what is called a "yield inversion." While the inversion does not necessarily portend a recession in the immediate future, it is an important indicator that fears of slowing economic growth are a bigger risk than worries about excessive inflation.

In the one-year period ending June 30, 2018, bonds maturing in fewer than five years increased to 59.9% of the Fund's assets from 59.1%. For bonds maturing in five to 10 years, the number decreased to 18.7% from 20.3%. For maturities exceeding 10 years, the percentage increased to 21.4% from 20.6%.

Recent Developments

The portfolio manager expects bond yields to rise marginally over the next six months, given global economic strength, the potential for temporarily higher inflation and expectations that central banks will continue to gradually raise rates. Short-term yields should continue to rise faster than those on longer-term bonds. The portfolio manager expects the BOC to continue raising rates, albeit gradually, as Canada-U.S. trade disputes could weigh on the Canadian growth outlook. The Fund will continue to hold an overweight position in Canadian mortgage bonds, as the higher income that they offer would help offset capital losses if yields rise further.

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.

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	Total	
Series A												
June 30, 2018	11.63	0.14	(0.03)	(0.05)	(0.02)	0.04	(0.11)	—	—	—	(0.11)	11.57
Dec. 31, 2017	11.88	0.28	(0.08)	0.04	(0.28)	(0.04)	(0.20)	—	—	—	(0.20)	11.63
Dec. 31, 2016	12.16	0.29	(0.08)	0.06	(0.34)	(0.07)	(0.21)	—	(0.01)	—	(0.22)	11.88
Dec. 31, 2015	12.00	0.29	(0.08)	0.06	0.10	0.37	(0.21)	—	—	—	(0.21)	12.16
Dec. 31, 2014	11.50	0.29	(0.08)	0.02	0.50	0.73	(0.22)	—	—	—	(0.22)	12.00
Dec. 31, 2013	12.05	0.31	(0.08)	0.07	(0.56)	(0.26)	(0.25)	—	(0.06)	—	(0.31)	11.50
Series F												
June 30, 2018	9.38	0.11	(0.01)	(0.04)	—	0.06	(0.10)	—	—	—	(0.10)	9.33
Dec. 31, 2017	9.58	0.23	(0.03)	0.04	(0.37)	(0.13)	(0.19)	—	—	—	(0.19)	9.38
Dec. 31, 2016 ³	10.00 [†]	0.12	(0.02)	0.03	(0.64)	(0.51)	(0.08)	—	(0.01)	—	(0.09)	9.58

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 July 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	11.57	156 680	13 546	0.61	0.61	11.93	—
Dec. 31, 2017	11.63	172 163	14 804	0.64 ⁴	0.64	16.56	—
Dec. 31, 2016	11.88	208 349	17 543	0.66	0.66	14.98	—
Dec. 31, 2015	12.16	221 627	18 223	0.67	0.67	11.61	—
Dec. 31, 2014	12.00	234 408	19 534	0.67	0.67	21.16	—
Dec. 31, 2013	11.50	277 282	24 111	0.67	0.67	29.93	—
Series F							
June 30, 2018	9.33	2 936	315	0.28	0.28	11.93	—
Dec. 31, 2017	9.38	2 757	294	0.35 ⁴	0.35	16.56	—
Dec. 31, 2016 ⁵	9.58	641	67	0.50	0.50	14.98	—

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, 2017, the management fees were changed in respect of Series F units of the Fund and the administration fees were changed in respect of Series A units of the Fund. If the changes to the management fees and administration fees would have been in effect throughout 2017, the adjusted MER for each series of the Fund would be: Series A – 0.61% and Series F – 0.28%.

⁵ From July 4, 2016.

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	0.50%	20%	80%
Series F	0.20%	—	100%

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

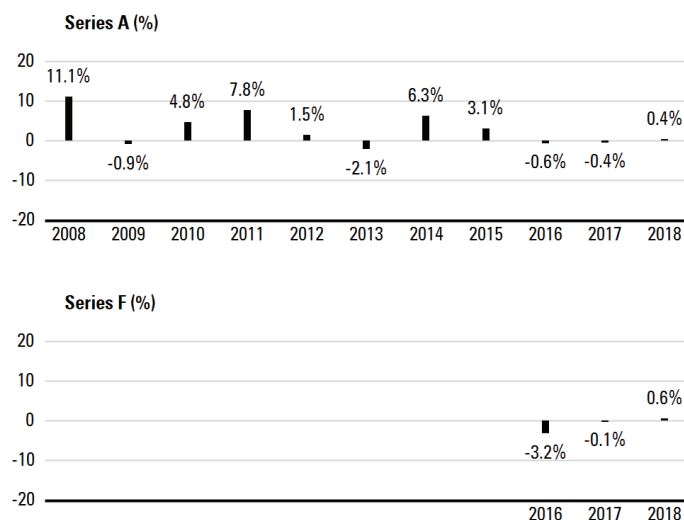


PAST PERFORMANCE

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 F units have been available for sale to unitholders since July 4, 2016.

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
Federal Bonds	96.2
Supranational Bonds	2.8
Cash/Other	1.0

Top 25 Holdings

	% of Net Asset Value
Canada Housing Trust No. 1 1.250% Jun 15 2021	11.0
Canada Housing Trust No. 1 3.350% Dec 15 2020	9.5
Government of Canada 4.000% Jun 1 2041	6.2
Government of Canada 3.500% Dec 1 2045	5.0
Government of Canada 3.500% Jun 1 2020	4.9
Canada Housing Trust No. 1 1.950% Jun 15 2019	4.9
Canada Housing Trust No. 1 2.350% Sep 15 2023	4.8
Government of Canada 1.500% Jun 1 2026	4.5
Canada Housing Trust No. 1 2.650% Mar 15 2022	4.4
Canada Housing Trust No. 1 1.250% Dec 15 2020	4.3
Canada Housing Trust No. 1 1.750% Jun 15 2022	4.3
Government of Canada 0.750% Sep 1 2020	4.0
Government of Canada 1.500% Jun 1 2023	3.9
Government of Canada 0.500% Mar 1 2022	3.9
Government of Canada 2.250% Jun 1 2025	3.7
Government of Canada 5.750% Jun 1 2029	3.6
Government of Canada 5.000% Jun 1 2037	3.5
Government of Canada 2.750% Jun 1 2022	3.2
Inter-American Development Bank CAD 4.400% Jan 26 2026	2.8
Government of Canada 5.750% Jun 1 2033	1.9
Government of Canada 2.000% Jun 1 2028	1.2
Government of Canada 1.000% Jun 1 2027	1.2
Government of Canada 1.750% Mar 1 2023	0.9
Canada Post Corp. 4.360% Jul 16 2040	0.8
Cash & Cash Equivalents	0.8
Top 25 Holdings	99.2

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.



FIXED-INCOME FUND

RBC BOND 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 pursues above-average long-term returns consisting of interest income and moderate capital growth by investing mainly in high-quality fixed-income securities issued by Canadian governments and corporations. Holdings within the portfolio in non-investment grade bonds are limited to 30% of assets.

The Fund may invest in similar securities outside of Canada.

Results of Operations

The Fund's net asset value was \$19.8 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 0.1%. 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.

Canadian bonds posted modest gains during the first half of 2018. Trade tensions and a hint of slowing global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher rates. The U.S. Federal Reserve (the "Fed") raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada (the "BOC") boosted its benchmark rate once, in line with a strengthening North American economy. The BOC implied in May that it would continue to raise rates while monitoring the risk of trade tensions with the U.S. Canadian government bonds outperformed U.S. Treasuries on fears that the escalating trade conflict could derail Canadian economic growth.

Investors were concerned during the period about a development known as "yield-curve flattening," in which yields on short-term bonds rise more than yields on long-term bonds. The trend, which has been occurring in both the U.S. and Canada, is considered a harbinger of economic recession. In fact, the yield on Canada's 30-year government bond did briefly dip below the yield on the 10-year security in what is called a "yield inversion." While the inversion does not necessarily portend a recession in the immediate future, it is an important indicator that fears of slowing economic growth are a bigger risk than worries about excessive inflation.

Provincial bonds underperformed federal bonds during the period given investors' desire to reduce exposure to higher-risk assets. Ontario bonds, which account for about 40% of the provincial market, underperformed those of other provinces in a reflection of a larger-than-expected deficit and the province's greater exposure to U.S. trade tariffs. Corporate bonds posted modest gains in the period as yields stabilized, increasing demand for securities that yield more than government fixed income.

Foreign-currency trading was the major contributor to the Fund's performance and cushioned losses on bonds tied to changes in U.S. interest rates and an overweight allocation to non-federal bonds. Early in the year, the Fund further reduced exposure to non-government securities as the potential for gains diminished, and the remaining overweight is focused on higher-conviction securities.

Recent Developments

The portfolio manager expects bond yields to rise marginally over the next six months, given tightening financial conditions, the potential for temporarily higher inflation and expectations that central banks will continue to gradually raise rates. Short-term yields should continue to rise faster than those on longer-term bonds, in the view of the portfolio manager.

While the portfolio manager expects corporate bonds to outperform government bonds over the longer term, the near-term outlook is not as positive as it has been. The extra yield that corporate bonds offer relative to government bonds is the lowest since the financial crisis a decade ago. The portfolio manager sees opportunities in emerging-market currencies relative to the Canadian dollar and holds a small currency allocation in the Fund.

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 \$1,000 (2017 – \$0) or 1% (2017 – 0%) 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	Total	
Series A												
June 30, 2018	6.58	0.11	(0.04)	(0.01)	(0.07)	(0.01)	(0.07)	—	—	—	(0.07)	6.50
Dec. 31, 2017	6.57	0.21	(0.07)	0.02	(0.01)	0.15	(0.15)	—	—	—	(0.15)	6.58
Dec. 31, 2016	6.62	0.22	(0.08)	0.08	(0.07)	0.15	(0.14)	—	(0.06)	—	(0.20)	6.57
Dec. 31, 2015	6.60	0.24	(0.08)	0.03	—	0.19	(0.14)	—	(0.01)	—	(0.15)	6.62
Dec. 31, 2014	6.26	0.22	(0.08)	0.03	0.31	0.48	(0.15)	—	—	—	(0.15)	6.60
Dec. 31, 2013	6.54	0.26	(0.08)	0.01	(0.28)	(0.09)	(0.18)	—	(0.01)	—	(0.19)	6.25
Advisor Series												
June 30, 2018	6.72	0.11	(0.03)	(0.01)	(0.07)	—	(0.08)	—	—	—	(0.08)	6.64
Dec. 31, 2017	6.71	0.22	(0.07)	0.02	(0.01)	0.16	(0.15)	—	—	—	(0.15)	6.72
Dec. 31, 2016	6.76	0.23	(0.08)	0.08	(0.15)	0.08	(0.15)	—	(0.06)	—	(0.21)	6.71
Dec. 31, 2015	6.74	0.24	(0.08)	0.03	—	0.19	(0.14)	—	(0.01)	—	(0.15)	6.76
Dec. 31, 2014	6.39	0.23	(0.08)	0.03	0.31	0.49	(0.15)	—	—	—	(0.15)	6.74
Dec. 31, 2013	6.66	0.26	(0.08)	0.01	(0.28)	(0.09)	(0.19)	—	(0.01)	—	(0.20)	6.38
Series D												
June 30, 2018	6.62	0.11	(0.02)	(0.01)	(0.07)	0.01	(0.09)	—	—	—	(0.09)	6.54
Dec. 31, 2017	6.61	0.21	(0.04)	0.02	(0.02)	0.17	(0.17)	—	—	—	(0.17)	6.62
Dec. 31, 2016	6.66	0.22	(0.05)	0.08	(0.10)	0.15	(0.17)	—	(0.06)	—	(0.23)	6.61
Dec. 31, 2015	6.64	0.24	(0.05)	0.03	—	0.22	(0.17)	—	(0.01)	—	(0.18)	6.66
Dec. 31, 2014	6.30	0.22	(0.05)	0.03	0.31	0.51	(0.18)	—	—	—	(0.18)	6.64
Dec. 31, 2013	6.58	0.26	(0.05)	0.01	(0.28)	(0.06)	(0.22)	—	(0.01)	—	(0.23)	6.29
Series F												
June 30, 2018	6.79	0.11	(0.02)	(0.01)	(0.05)	0.03	(0.10)	—	—	—	(0.10)	6.71
Dec. 31, 2017	6.78	0.22	(0.03)	0.02	(0.02)	0.19	(0.19)	—	—	—	(0.19)	6.79
Dec. 31, 2016	6.83	0.22	(0.04)	0.08	(0.32)	(0.06)	(0.19)	—	(0.06)	—	(0.25)	6.78
Dec. 31, 2015	6.81	0.24	(0.04)	0.03	—	0.23	(0.19)	—	(0.01)	—	(0.20)	6.83
Dec. 31, 2014	6.45	0.23	(0.04)	0.03	0.32	0.54	(0.18)	—	—	—	(0.18)	6.81
Dec. 31, 2013	6.73	0.27	(0.04)	0.01	(0.29)	(0.05)	(0.22)	—	(0.01)	—	(0.23)	6.44
Series O												
June 30, 2018	6.86	0.11	—	(0.01)	(0.06)	0.04	(0.11)	—	—	—	(0.11)	6.78
Dec. 31, 2017	6.85	0.22	—	0.02	(0.01)	0.23	(0.22)	—	—	—	(0.22)	6.86
Dec. 31, 2016	6.90	0.23	—	0.08	(0.09)	0.22	(0.23)	—	(0.06)	—	(0.29)	6.85
Dec. 31, 2015	6.89	0.25	—	0.03	—	0.28	(0.25)	—	(0.01)	—	(0.26)	6.90
Dec. 31, 2014	6.54	0.23	—	0.03	0.32	0.58	(0.23)	—	—	—	(0.23)	6.89
Dec. 31, 2013	6.80	0.27	—	0.01	(0.29)	(0.01)	(0.25)	—	(0.01)	—	(0.26)	6.53

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.



FINANCIAL HIGHLIGHTS (cont.)

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	6.50	1 157 022	177 963	1.11	1.11	18.12	—
Dec. 31, 2017	6.58	1 280 465	194 643	1.11	1.11	22.22	—
Dec. 31, 2016	6.57	1 437 109	218 656	1.16 ⁴	1.16	22.46	—
Dec. 31, 2015	6.62	1 535 208	231 839	1.22	1.22	22.38	—
Dec. 31, 2014	6.60	1 642 304	248 942	1.22	1.22	35.76	—
Dec. 31, 2013	6.26	1 776 367	283 729	1.22	1.22	31.63	—
Advisor Series							
June 30, 2018	6.64	116 785	17 575	1.06	1.06	18.12	—
Dec. 31, 2017	6.72	106 026	15 770	1.06	1.06	22.22	—
Dec. 31, 2016	6.71	91 942	13 692	1.10 ⁴	1.10	22.46	—
Dec. 31, 2015	6.76	53 352	7 889	1.17	1.17	22.38	—
Dec. 31, 2014	6.74	42 893	6 368	1.17	1.17	35.76	—
Dec. 31, 2013	6.39	36 190	5 666	1.17	1.17	31.63	—
Series D							
June 30, 2018	6.54	76 682	11 718	0.66	0.66	18.12	—
Dec. 31, 2017	6.62	77 521	11 707	0.66	0.66	22.22	—
Dec. 31, 2016	6.61	74 904	11 328	0.71 ⁴	0.71	22.46	—
Dec. 31, 2015	6.66	65 736	9 869	0.77	0.77	22.38	—
Dec. 31, 2014	6.64	61 636	9 286	0.77	0.77	35.76	—
Dec. 31, 2013	6.30	53 735	8 532	0.77	0.77	31.63	—
Series F							
June 30, 2018	6.71	305 982	45 597	0.49	0.49	18.12	—
Dec. 31, 2017	6.79	256 615	37 792	0.50	0.50	22.22	—
Dec. 31, 2016	6.78	164 460	24 249	0.53 ⁴	0.53	22.46	—
Dec. 31, 2015	6.83	27 232	3 986	0.61	0.61	22.38	—
Dec. 31, 2014	6.81	13 230	1 943	0.61	0.61	35.76	—
Dec. 31, 2013	6.45	7 299	1 131	0.62	0.62	31.63	—
Series O							
June 30, 2018	6.78	18 170 557	2 680 275	0.03	0.03	18.12	—
Dec. 31, 2017	6.86	16 835 516	2 454 134	0.03	0.03	22.22	—
Dec. 31, 2016	6.85	15 482 201	2 260 060	0.03	0.03	22.46	—
Dec. 31, 2015	6.90	13 791 733	1 998 370	0.03	0.03	22.38	—
Dec. 31, 2014	6.89	11 430 668	1 658 442	0.02	0.02	35.76	—
Dec. 31, 2013	6.54	9 949 423	1 522 142	0.02	0.02	31.63	—

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 – 1.11%, Advisor Series – 1.06%, Series D – 0.66% and Series F – 0.50%.



FINANCIAL HIGHLIGHTS (cont.)

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	0.90%	50%	50%
Advisor Series	0.90%	50%	50%
Series D	0.55%	23%	77%
Series F	0.40%	—	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.

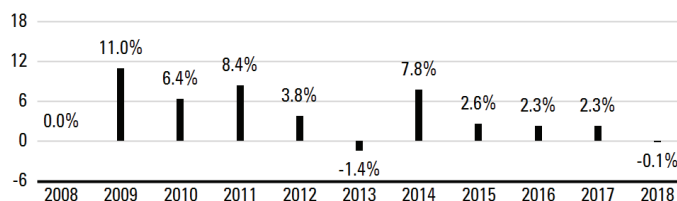
PAST PERFORMANCE

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.

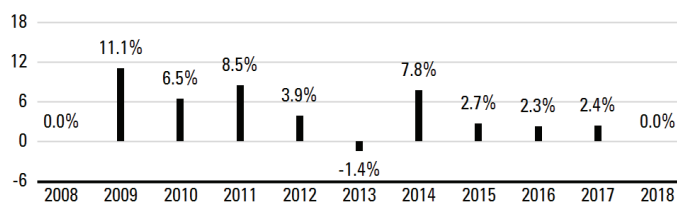
Year-by-Year Returns (%)

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.

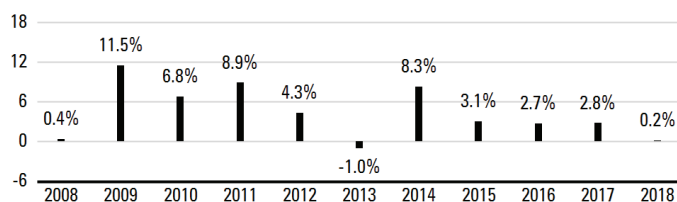
Series A (%)



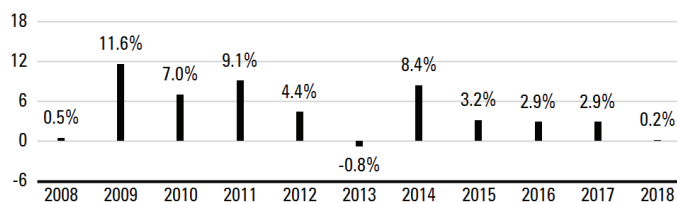
Advisor Series (%)



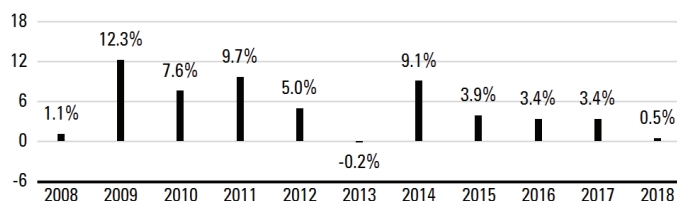
Series D (%)



Series F (%)



Series O (%)



Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series I units were re-designated as Series F units effective June 30, 2016.

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
Provincial/Municipal Bonds	40.5
Corporate Bonds	38.4
Federal Bonds	12.1
Foreign Bonds	3.4
Income Funds	2.6
Cash/Other	3.0

Top 25 Holdings

	% of Net Asset Value
Province of Ontario 3.450% Jun 2 2045	2.9
Province of Ontario 2.600% Jun 2 2027	2.2
Province of Ontario 3.500% Jun 2 2043	2.2
Province of Ontario 2.900% Dec 2 2046	2.2
Province of Ontario 2.600% Jun 2 2025	2.1
Province of Ontario 4.600% Jun 2 2039	1.8
Government of Canada 2.750% Dec 1 2048	1.7
Government of Canada 1.500% Jun 1 2026	1.6
Province of Ontario 2.400% Jun 2 2026	1.6
Province of Ontario 4.650% Jun 2 2041	1.6
Province of Ontario 4.000% Jun 2 2021	1.5
Government of Canada 1.000% Jun 1 2027	1.5
Province of Ontario 2.850% Jun 2 2023	1.5
RBC Emerging Markets Foreign Exchange Fund	1.5
Government of Canada 2.000% Jun 1 2028	1.4
Province of Ontario 3.500% Jun 2 2024	1.3
Province of Quebec 3.000% Sep 1 2023	1.2
BlueBay Emerging Markets Corporate Bond Fund	1.1
Province of Quebec 2.750% Sep 1 2027	1.0
Province of Quebec 3.750% Sep 1 2024	1.0
Province of Quebec 5.000% Dec 1 2041	1.0
Province of Ontario 4.700% Jun 2 2037	0.9
Province of Quebec 4.500% Dec 1 2020	0.9
Province of Quebec 2.750% Sep 1 2025	0.9
Province of Ontario 5.600% Jun 2 2035	0.8
Top 25 Holdings	37.4

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.



FIXED-INCOME FUND

RBC VISION BOND 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 relatively high yields and stability of capital by investing primarily in a well-diversified portfolio of fixed-income securities issued by Canadian governments and corporations. The Fund follows a socially responsible approach to investing. Investments that qualify for inclusion in the Fund must possess strong environmental, social and governance practices relative to industry peers, as defined by Sustainalytics Best-of-Sector™ methodology.

Results of Operations

The Fund's net asset value was \$213 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.2%. 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.

The first half of 2018 was a volatile period for Canadian bonds, with yields rising for much of the period due to tighter labour markets and concern about higher inflation and borrowing costs. In Canada, economic data was generally better than expected at the start of the year, prompting the Bank of Canada (the "BOC") to increase its overnight rate in January. After that, the data was more mixed and the BOC's economic outlook became more cautious.

Against this backdrop, the Fund benefited from trading around short-term yield fluctuations and by timely increases in exposure to higher-quality issuers and companies less tied to a potential slowdown in economic growth. The portfolio manager also reduced exposure to provincial bonds and re-invested much of the proceeds in bonds issued by Canada Housing Trust, a government-guaranteed issuer whose bonds offered higher yields than Government of Canada securities.

Allocations to corporate bonds and the government-backed agencies had a negligible impact on relative performance during the period. The Fund's exposure to corporate bonds was lower than it has been in recent years, as yields were not as attractive as they have been earlier in the growth phase of the economic cycle.

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

Sustainalytics conducted one review covering the Fund's holdings in 2018. Eligibility was determined in relation to the Environmental, Social and Governance ("ESG") criteria developed by RBC GAM in consultation with Sustainalytics. In the opinion of Sustainalytics, all holdings in the Fund were eligible in the latest review, based on the above criteria. However, during the year, one company was removed from the Fund as it no longer met certain ESG criteria.

Recent Developments

Bond yields were driven higher in 2018 in part by central-bank attempts to bring rates more in line with historical levels as inflation and economic growth firmed. However, escalating trade disputes and political uncertainty in Europe are acting as a check on these efforts. With this in mind, the portfolio manager believes that the BOC is likely to move gradually on raising interest rates, with no more than two additional rate increases likely before the end of the year. Of particular concern to Canada are decreasing economic competitiveness compared to the U.S. and an overheated housing market. The portfolio manager plans to use interest-rate fluctuations to invest when yields become somewhat more attractive relative to economic and geopolitical risks.

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.

™ Best-of-Sector is a trademark of Sustainalytics. Used under licence.



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.

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	Total	
Series A												
June 30, 2018	10.82	0.16	(0.06)	(0.09)	0.01	0.02	(0.10)	—	—	—	(0.10)	10.73
Dec. 31, 2017	10.85	0.31	(0.11)	(0.03)	0.01	0.18	(0.20)	—	—	—	(0.20)	10.82
Dec. 31, 2016	11.06	0.34	(0.12)	0.13	(0.21)	0.14	(0.21)	—	(0.14)	—	(0.35)	10.85
Dec. 31, 2015	11.24	0.37	(0.13)	0.23	(0.17)	0.30	(0.24)	—	(0.25)	—	(0.49)	11.06
Dec. 31, 2014	10.68	0.38	(0.13)	0.14	0.46	0.85	(0.25)	—	(0.03)	—	(0.28)	11.24
Dec. 31, 2013	11.20	0.39	(0.13)	—	(0.45)	(0.19)	(0.26)	—	(0.07)	—	(0.33)	10.66
Advisor Series												
June 30, 2018	10.82	0.16	(0.05)	(0.09)	0.01	0.03	(0.10)	—	—	—	(0.10)	10.73
Dec. 31, 2017	10.85	0.31	(0.11)	(0.03)	0.01	0.18	(0.20)	—	—	—	(0.20)	10.82
Dec. 31, 2016	11.06	0.34	(0.12)	0.13	(0.25)	0.10	(0.21)	—	(0.14)	—	(0.35)	10.85
Dec. 31, 2015	11.24	0.37	(0.13)	0.23	(0.17)	0.30	(0.24)	—	(0.25)	—	(0.49)	11.06
Dec. 31, 2014	10.68	0.38	(0.13)	0.14	0.46	0.85	(0.25)	—	(0.03)	—	(0.28)	11.24
Dec. 31, 2013	11.20	0.39	(0.13)	—	(0.45)	(0.19)	(0.26)	—	(0.07)	—	(0.33)	10.66
Series D												
June 30, 2018	10.74	0.15	(0.03)	(0.08)	(0.01)	0.03	(0.13)	—	—	—	(0.13)	10.65
Dec. 31, 2017	10.76	0.31	(0.06)	(0.03)	0.01	0.23	(0.24)	—	—	—	(0.24)	10.74
Dec. 31, 2016	10.97	0.34	(0.07)	0.13	(0.20)	0.20	(0.26)	—	(0.14)	—	(0.40)	10.76
Dec. 31, 2015	11.16	0.37	(0.07)	0.22	(0.17)	0.35	(0.30)	—	(0.26)	—	(0.56)	10.97
Dec. 31, 2014	10.60	0.38	(0.07)	0.14	0.46	0.91	(0.31)	—	(0.03)	—	(0.34)	11.16
Dec. 31, 2013	11.13	0.39	(0.07)	—	(0.45)	(0.13)	(0.32)	—	(0.07)	—	(0.39)	10.59
Series F												
June 30, 2018	10.79	0.15	(0.03)	(0.09)	0.03	0.06	(0.13)	—	—	—	(0.13)	10.70
Dec. 31, 2017	10.81	0.31	(0.05)	(0.03)	—	0.23	(0.25)	—	—	—	(0.25)	10.79
Dec. 31, 2016	11.02	0.34	(0.06)	0.13	(0.33)	0.08	(0.27)	—	(0.14)	—	(0.41)	10.81
Dec. 31, 2015	11.21	0.37	(0.07)	0.23	(0.17)	0.36	(0.31)	—	(0.25)	—	(0.56)	11.02
Dec. 31, 2014	10.64	0.38	(0.07)	0.14	0.46	0.91	(0.31)	—	(0.03)	—	(0.34)	11.21
Dec. 31, 2013	11.17	0.39	(0.07)	—	(0.45)	(0.13)	(0.32)	—	(0.07)	—	(0.39)	10.63
Series O												
June 30, 2018	10.61	0.15	—	(0.08)	—	0.07	(0.16)	—	—	—	(0.16)	10.53
Dec. 31, 2017	10.63	0.31	—	(0.03)	(0.02)	0.26	(0.30)	—	—	—	(0.30)	10.61
Dec. 31, 2016	10.84	0.34	(0.01)	0.13	(0.23)	0.23	(0.32)	—	(0.14)	—	(0.46)	10.63
Dec. 31, 2015	11.03	0.37	(0.01)	0.22	(0.16)	0.42	(0.36)	—	(0.25)	—	(0.61)	10.84
Dec. 31, 2014	10.48	0.37	(0.01)	0.14	0.45	0.95	(0.37)	—	(0.03)	—	(0.40)	11.03
Dec. 31, 2013	11.00	0.38	(0.01)	—	(0.44)	(0.07)	(0.38)	—	(0.07)	—	(0.45)	10.47

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.



FINANCIAL HIGHLIGHTS (cont.)

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	10.73	9 554	890	1.05	1.05	120.68	—
Dec. 31, 2017	10.82	8 749	808	1.04	1.04	96.52	—
Dec. 31, 2016	10.85	7 707	711	1.09 ⁴	1.09	152.83	—
Dec. 31, 2015	11.06	7 551	683	1.15	1.15	217.41	—
Dec. 31, 2014	11.24	6 941	617	1.15	1.15	218.50	—
Dec. 31, 2013	10.68	6 327	593	1.15	1.15	316.19	—
Advisor Series							
June 30, 2018	10.73	5 875	547	1.03	1.03	120.68	—
Dec. 31, 2017	10.82	5 521	510	1.04	1.04	96.52	—
Dec. 31, 2016	10.85	6 296	581	1.09 ⁴	1.09	152.83	—
Dec. 31, 2015	11.06	5 392	488	1.15	1.15	217.41	—
Dec. 31, 2014	11.24	3 959	352	1.15	1.15	218.50	—
Dec. 31, 2013	10.68	4 296	402	1.15	1.15	316.19	—
Series D							
June 30, 2018	10.65	18 177	1 706	0.60	0.60	120.68	—
Dec. 31, 2017	10.74	19 000	1 769	0.60	0.60	96.52	—
Dec. 31, 2016	10.76	20 010	1 859	0.60	0.60	152.83	—
Dec. 31, 2015	10.97	20 695	1 886	0.60	0.60	217.41	—
Dec. 31, 2014	11.16	18 979	1 700	0.60	0.60	218.50	—
Dec. 31, 2013	10.60	17 931	1 691	0.60	0.60	316.19	—
Series F							
June 30, 2018	10.70	15 403	1 439	0.50	0.50	120.68	—
Dec. 31, 2017	10.79	11 996	1 112	0.50	0.50	96.52	—
Dec. 31, 2016	10.81	9 855	912	0.55 ⁴	0.55	152.83	—
Dec. 31, 2015	11.02	7 246	658	0.60	0.60	217.41	—
Dec. 31, 2014	11.21	4 983	445	0.61	0.61	218.50	—
Dec. 31, 2013	10.64	4 060	382	0.61	0.61	316.19	—
Series O							
June 30, 2018	10.53	163 763	15 558	0.02	0.02	120.68	—
Dec. 31, 2017	10.61	180 422	17 000	0.04 ⁵	0.04	96.52	—
Dec. 31, 2016	10.63	147 357	13 858	0.06	0.06	152.83	—
Dec. 31, 2015	10.84	121 361	11 192	0.06	0.06	217.41	—
Dec. 31, 2014	11.03	119 158	10 801	0.06	0.06	218.50	—
Dec. 31, 2013	10.48	113 627	10 840	0.06	0.06	316.19	—

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 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 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 – 1.03%, Advisor Series – 1.03% and Series F – 0.50%.

⁵ Effective June 30, 2017, the administration fees were changed in respect of Series O units of the Fund. If the changes to the administration fees would have been in effect throughout 2017, the adjusted MER for each series of the Fund would be: Series O – 0.02%.



FINANCIAL HIGHLIGHTS (cont.)

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	0.90%	50%	50%
Advisor Series	0.90%	50%	50%
Series D	0.50%	30%	70%
Series F	0.40%	—	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.

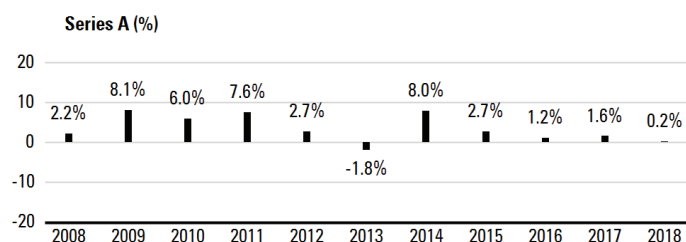
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

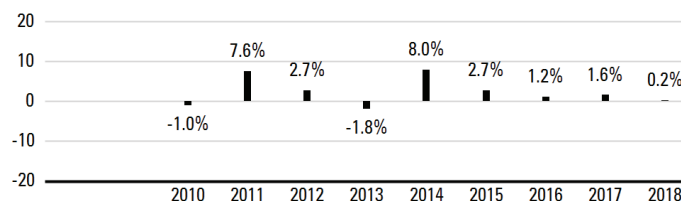
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

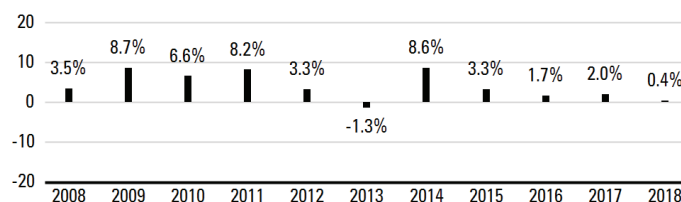
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



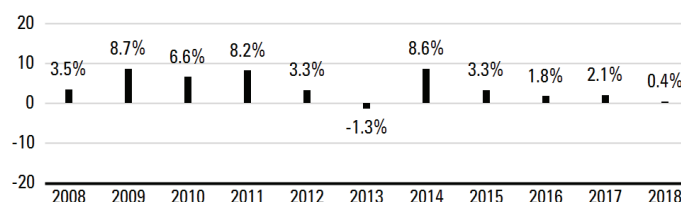
Advisor Series (%)



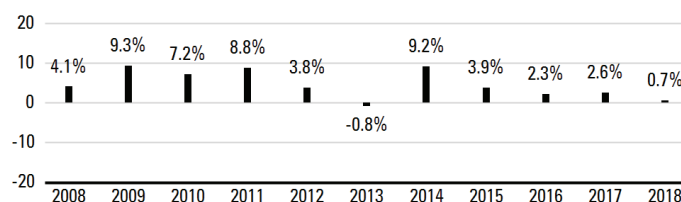
Series D (%)



Series F (%)



Series O (%)



Advisor Series units have been available for sale to unitholders since October 29, 2010, and Series A units since November 12, 2008.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series C units were renamed Series A units effective June 30, 2016. Series D was known as Series A prior to November 17, 2008.

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
Federal Bonds	34.9
Provincial/Municipal Bonds	30.8
Corporate Bonds	28.1
Mortgage-Backed Bonds	0.2
Cash/Other	6.0

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	5.6
Canada Housing Trust No. 1 2.400% Dec 15 2022	3.5
Government of Canada 1.750% Aug 1 2020	2.9
Province of Ontario 6.200% Jun 2 2031	2.7
Canada Housing Trust No. 1 1.250% Jun 15 2021	2.6
Province of Ontario 3.500% Jun 2 2043	2.5
Canada Housing Trust No. 1 1.750% Jun 15 2022	2.4
United States Treasury 3.125% May 15 2048	2.3
Province of Ontario 3.500% Jun 2 2024	2.1
Province of Ontario 5.600% Jun 2 2035	2.1
Government of Canada 0.500% Mar 1 2022	2.1
Government of Canada 1.750% May 1 2020	2.1
Province of Ontario 4.600% Jun 2 2039	2.0
Government of Canada 0.750% Mar 1 2021	1.8
Government of Canada 2.750% Dec 1 2048	1.6
Government of Canada 1.750% Mar 1 2023	1.6
Province of Ontario 2.900% Jun 2 2049	1.5
Government of Canada 1.750% Mar 1 2019	1.4
Enbridge Pipelines Inc. 3.000% Aug 10 2026	1.3
Government of Canada 3.250% Jun 1 2021	1.2
Government of Canada 1.500% Jun 1 2023	1.2
Canada Housing Trust No. 1 2.350% Jun 15 2027	1.1
Province of Ontario 2.600% Jun 2 2025	1.1
Province of Ontario 8.500% Dec 2 2025	1.0
CU Inc. 6.215% Mar 6 2024	0.9
Top 25 Holdings	50.6

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.



FIXED-INCOME FUND

RBC GLOBAL BOND FUND

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England
(for a portion of the Fund)

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 pursues above-average long-term total returns, consisting of interest income and some capital growth in world fixed-income markets.

The Fund invests principally in high-quality, fixed-income securities denominated in foreign currencies and issued by foreign and Canadian governments. The Fund may use derivative contracts extensively to manage currency risk and to protect against losses. The Fund may also invest in debt issued by foreign corporations and international agencies like the World Bank.

Results of Operations

The Fund's net asset value was \$7.4 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 0.1%. 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.

Global government bonds were mixed in the first half of 2018, with U.S. Treasuries recording losses while German bonds rose and Japanese bonds were generally flat. The U.S. Treasury market underperformed other developed markets on central-bank monetary tightening attributable to higher relative economic growth and inflation. The U.S. Federal Reserve (the "Fed") raised short-term interest rates twice during the period and continued to reduce the size of its balance sheet, both of which tended to push up yields. Short-term interest rates climbed relative to longer-term rates in most major markets, a sign that investors are expecting less generous central banks going forward.

European bond markets were most in focus during the period, especially after May, as Italy's new coalition government called for additional government spending and threatened to loosen links with the Eurozone. This development led to renewed concerns about the future of the single currency. As a result, Italian government bonds underperformed and safe-haven German bonds outperformed. In general, bond prices in Europe and Japan were supported by central-bank asset purchases.

The Fund's higher exposure to cash and long-dated bonds contributed to the Fund's performance. Returns were held back by the Fund's overweight position in Italian government bonds, as well as higher-yielding corporate and emerging-market debt that performed poorly in an environment where investors were generally trying to limit risks. Early in the year, the Fund further reduced exposure to non-government debt as the potential for gains diminished. The Fund also benefited from trading foreign currencies.

Recent Developments

The portfolio manager expects bond yields to rise marginally over the next six months, given tightening financial conditions, the potential for temporarily higher inflation and expectations that central banks will continue to gradually raise rates. The portfolio manager expects short-term yields to continue rising faster than those on longer-term bonds. Trade tensions could also limit economic growth and cap increases in yields.

The Fund is likely to have a preference for the government bonds of Italy, Spain and other "peripheral" European countries given their relatively high yields when currency risks are eliminated. The Fund has an overweight position in emerging-market government and corporate debt but has reduced these allocations over the period as rich valuations tempered the outlook. The portfolio manager sees opportunities in emerging-market currencies relative to the Canadian dollar and holds a small currency allocation in the Fund.

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.



Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.

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	Total	
Series A												
June 30, 2018	10.58	0.10	(0.08)	(0.14)	0.11	(0.01)	(0.01)	—	—	—	(0.01)	10.56
Dec. 31, 2017	10.76	0.22	(0.17)	0.20	(0.11)	0.14	(0.05)	—	(0.27)	—	(0.32)	10.58
Dec. 31, 2016	10.84	0.25	(0.19)	0.65	(0.36)	0.35	(0.05)	—	(0.40)	—	(0.45)	10.76
Dec. 31, 2015	10.80	0.28	(0.19)	(0.10)	0.14	0.13	(0.09)	—	—	—	(0.09)	10.84
Dec. 31, 2014	10.42	0.29	(0.19)	0.34	0.32	0.76	(0.10)	—	(0.27)	—	(0.37)	10.80
Dec. 31, 2013	10.49	0.31	(0.19)	(0.09)	0.03	0.06	(0.13)	—	—	—	(0.13)	10.41
Advisor Series												
June 30, 2018	10.83	0.10	(0.08)	(0.14)	0.11	(0.01)	(0.02)	—	—	—	(0.02)	10.80
Dec. 31, 2017	11.01	0.23	(0.17)	0.20	(0.11)	0.15	(0.05)	—	(0.28)	—	(0.33)	10.83
Dec. 31, 2016	11.09	0.25	(0.19)	0.65	(0.51)	0.20	(0.06)	—	(0.41)	—	(0.47)	11.01
Dec. 31, 2015	11.06	0.28	(0.19)	(0.10)	0.15	0.14	(0.09)	—	—	—	(0.09)	11.09
Dec. 31, 2014	10.66	0.29	(0.19)	0.34	0.32	0.76	(0.10)	—	(0.28)	—	(0.38)	11.06
Dec. 31, 2013	10.72	0.31	(0.19)	(0.09)	0.03	0.06	(0.12)	—	—	—	(0.12)	10.65
Series D												
June 30, 2018	10.69	0.10	(0.05)	(0.14)	0.12	0.03	(0.05)	—	—	—	(0.05)	10.67
Dec. 31, 2017	10.88	0.23	(0.10)	0.20	(0.10)	0.23	(0.13)	—	(0.28)	—	(0.41)	10.69
Dec. 31, 2016	10.96	0.25	(0.11)	0.65	(0.40)	0.39	(0.13)	—	(0.41)	—	(0.54)	10.88
Dec. 31, 2015	10.93	0.28	(0.12)	(0.10)	0.14	0.20	(0.17)	—	—	—	(0.17)	10.96
Dec. 31, 2014	10.53	0.29	(0.11)	0.34	0.32	0.84	(0.17)	—	(0.27)	—	(0.44)	10.93
Dec. 31, 2013	10.60	0.31	(0.11)	(0.09)	0.03	0.14	(0.20)	—	—	—	(0.20)	10.52
Series F												
June 30, 2018	11.10	0.10	(0.04)	(0.14)	0.12	0.04	(0.06)	—	—	—	(0.06)	11.07
Dec. 31, 2017	11.29	0.23	(0.08)	0.20	(0.10)	0.25	(0.15)	—	(0.29)	—	(0.44)	11.10
Dec. 31, 2016	11.37	0.26	(0.09)	0.67	(0.57)	0.27	(0.16)	—	(0.42)	—	(0.58)	11.29
Dec. 31, 2015	11.34	0.29	(0.10)	(0.10)	0.15	0.24	(0.19)	—	—	—	(0.19)	11.37
Dec. 31, 2014	10.92	0.30	(0.10)	0.35	0.33	0.88	(0.20)	—	(0.28)	—	(0.48)	11.34
Dec. 31, 2013	10.97	0.32	(0.10)	(0.10)	0.03	0.15	(0.20)	—	—	—	(0.20)	10.91
Series I												
June 30, 2018	11.10	0.10	(0.03)	(0.14)	0.11	0.04	(0.07)	—	—	—	(0.07)	11.07
Dec. 31, 2017	11.28	0.23	(0.07)	0.21	(0.11)	0.26	(0.16)	—	(0.29)	—	(0.45)	11.10
Dec. 31, 2016	11.36	0.26	(0.07)	0.68	(0.46)	0.41	(0.18)	—	(0.42)	—	(0.60)	11.28
Dec. 31, 2015	11.33	0.29	(0.07)	(0.10)	0.15	0.27	(0.23)	—	—	—	(0.23)	11.36
Dec. 31, 2014 ³	11.18 [†]	0.20	(0.05)	0.23	0.22	0.60	(0.16)	—	(0.28)	—	(0.44)	11.33



FINANCIAL HIGHLIGHTS (cont.)

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

							Annual Distributions ²					Net Assets: End of	
							From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total		
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total						Year/Period	
Series O													
June 30, 2018	10.89	0.10	—	(0.14)	0.12	0.08	(0.10)	—	—	—	(0.10)	10.86	
Dec. 31, 2017	11.07	0.23	—	0.20	(0.10)	0.33	(0.22)	—	(0.28)	—	(0.50)	10.89	
Dec. 31, 2016	11.15	0.26	—	0.66	(0.42)	0.50	(0.25)	—	(0.41)	—	(0.66)	11.07	
Dec. 31, 2015	11.11	0.28	—	(0.10)	0.15	0.33	(0.29)	—	—	—	(0.29)	11.15	
Dec. 31, 2014	10.72	0.30	—	0.34	0.33	0.97	(0.30)	—	(0.28)	—	(0.58)	11.11	
Dec. 31, 2013	10.78	0.32	—	(0.10)	0.03	0.25	(0.30)	—	—	—	(0.30)	10.71	

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 April 21, 2014.

[†] 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	10.56	110 485	10 465	1.61	1.61	69.00	—
Dec. 31, 2017	10.58	120 719	11 410	1.61	1.61	75.51	—
Dec. 31, 2016	10.76	127 932	11 893	1.69 ⁴	1.69	59.34	—
Dec. 31, 2015	10.84	121 289	11 191	1.78	1.78	105.88	—
Dec. 31, 2014	10.80	125 557	11 623	1.78	1.78	78.54	—
Dec. 31, 2013	10.42	121 364	11 646	1.78	1.78	75.20	—
Advisor Series							
June 30, 2018	10.80	26 239	2 428	1.58	1.58	69.00	—
Dec. 31, 2017	10.83	26 489	2 446	1.57	1.57	75.51	—
Dec. 31, 2016	11.01	33 524	3 045	1.65 ⁴	1.65	59.34	—
Dec. 31, 2015	11.09	20 119	1 813	1.75	1.75	105.88	—
Dec. 31, 2014	11.06	9 860	892	1.75	1.75	78.54	—
Dec. 31, 2013	10.66	6 018	565	1.74	1.74	75.20	—
Series D							
June 30, 2018	10.67	14 836	1 391	0.88	0.88	69.00	—
Dec. 31, 2017	10.69	14 903	1 394	0.89	0.89	75.51	—
Dec. 31, 2016	10.88	14 348	1 319	0.97 ⁴	0.97	59.34	—
Dec. 31, 2015	10.96	11 376	1 038	1.06	1.06	105.88	—
Dec. 31, 2014	10.93	9 232	845	1.06	1.06	78.54	—
Dec. 31, 2013	10.53	5 657	537	1.06	1.06	75.20	—
Series F							
June 30, 2018	11.07	468 757	42 332	0.73	0.73	69.00	—
Dec. 31, 2017	11.10	422 304	38 054	0.73	0.73	75.51	—
Dec. 31, 2016	11.29	305 543	27 071	0.80 ⁴	0.80	59.34	—
Dec. 31, 2015	11.37	154 167	13 556	0.89	0.89	105.88	—
Dec. 31, 2014	11.34	54 298	4 790	0.89	0.89	78.54	—
Dec. 31, 2013	10.92	39 310	3 600	0.89	0.89	75.20	—



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 I							
June 30, 2018	11.07	54 798	4 949	0.62	0.62	69.00	—
Dec. 31, 2017	11.10	61 751	5 565	0.62	0.62	75.51	—
Dec. 31, 2016	11.28	78 150	6 928	0.62	0.62	59.34	—
Dec. 31, 2015	11.36	55 833	4 914	0.61	0.61	105.88	—
Dec. 31, 2014 ⁵	11.33	36 620	3 233	0.62	0.62	78.54	—
Series O							
June 30, 2018	10.86	6 759 140	622 281	0.03	0.03	69.00	—
Dec. 31, 2017	10.89	6 173 423	567 094	0.03	0.03	75.51	—
Dec. 31, 2016	11.07	4 937 352	446 088	0.03	0.03	59.34	—
Dec. 31, 2015	11.15	3 415 968	306 417	0.03	0.03	105.88	—
Dec. 31, 2014	11.11	3 707 325	333 574	0.03	0.03	78.54	—
Dec. 31, 2013	10.72	2 945 202	274 705	0.03	0.03	75.20	—

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 – 1.61%, Advisor Series – 1.59%, Series D – 0.89% and Series F – 0.73%.

⁵ From April 21, 2014.

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	1.35%	53%	47%
Advisor Series	1.35%	53%	47%
Series D	0.75%	17%	83%
Series F	0.60%	—	100%
Series I	0.50%	—	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.

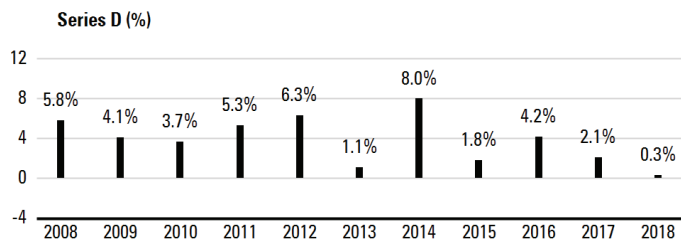
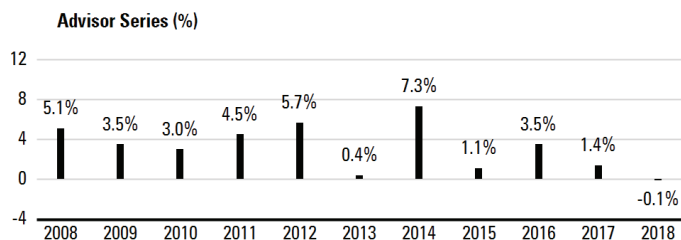
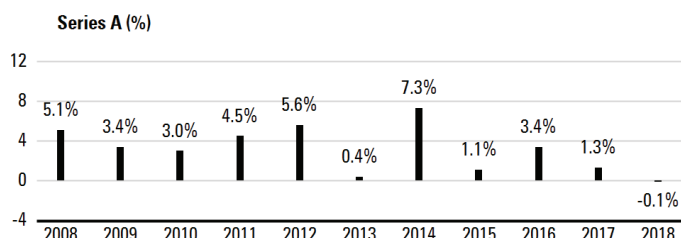


PAST PERFORMANCE

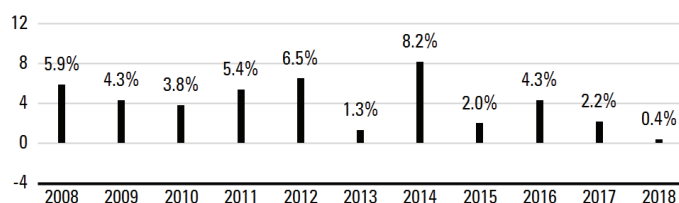
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

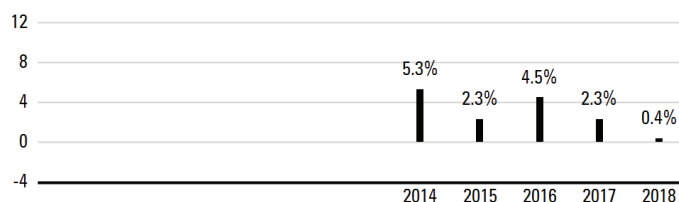
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



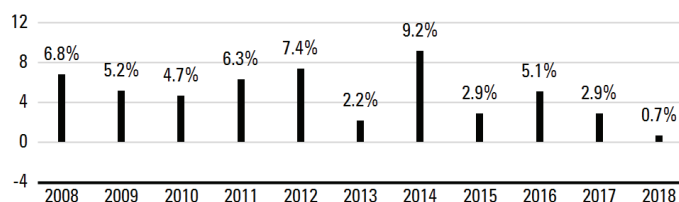
Series F (%)



Series I (%)



Series O (%)



Series I units have been available for sale to unitholders since April 21, 2014.

Inception dates are not provided for series that have been in existence for more than 10 years.

Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016.

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
United States	19.8
Japan	10.4
Spain	9.1
Italy	8.8
Canada	8.2
France	6.4
United Kingdom	4.8
Germany	4.7
Income Funds	4.5
Mexico	0.7
Other Countries	14.6
Cash/Other	8.0

Top 25 Holdings

	% of Net Asset Value
United States Treasury 1.625% Jul 31 2020	3.5
Cash & Cash Equivalents	3.4
United States Treasury 2.375% May 15 2027	3.3
United States Treasury 1.500% Jan 31 2022	3.3
United States 10-Year Note Future, September 2018	2.7
United States Treasury 2.500% Feb 15 2045	2.7
United States Treasury 1.500% Nov 30 2019	2.6
Spain Government EUR 1.150% Jul 30 2020	2.6
BlueBay Emerging Markets Corporate Bond Fund	2.5
Government of Canada 0.750% Aug 1 2019	2.3
United Kingdom Gilt GBP 1.250% Jul 22 2027	2.2
Spain Government EUR 2.750% Apr 30 2019	2.2
France O.A.T. EUR 1.250% May 25 2036	2.1
Japan Government Twenty Year JPY 0.200% Jun 20 2036	2.1
United Kingdom Gilt GBP 3.250% Jan 22 2044	2.0
Bundesrepublik Deutschland EUR 1.500% Sep 4 2022	2.0
Australia Government AUD 2.250% May 21 2028	2.0
RBC Emerging Markets Foreign Exchange Fund	2.0
United States Treasury 1.750% May 15 2023	1.9
France O.A.T. EUR 0.500% May 25 2026	1.9
Japan Government Thirty Year JPY 0.300% Jun 20 2046	1.9
Buoni Poliennali Del Tesoro EUR 2.000% Feb 1 2028	1.9
Buoni Poliennali Del Tesoro EUR 0.650% Nov 1 2020	1.8
Japan Government Twenty Year JPY 0.500% Sep 20 2036	1.7
Spain Government EUR 0.450% Oct 31 2022	1.7
Top 25 Holdings	58.3

The Fund may use futures contracts as an asset substitution or as a way to reduce interest-rate risk.

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.



FIXED-INCOME FUND

**RBC GLOBAL BOND &
CURRENCY 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 total returns comprised of interest income and some capital growth by investing primarily in units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called the “underlying funds”), emphasizing mutual funds that invest in high-quality fixed-income securities issued internationally by Canadian and foreign governments and in emerging-market currencies. The Fund may also invest in fixed-income securities issued by Canadian and foreign corporations and supranational agencies such as the World Bank.

To achieve its objective, the Fund selects underlying funds from the RBC Funds family or PH&N Funds family, including the RBC Global Bond Fund, a portion of which is sub-advised by RBC Global Asset Management (UK) Limited and the RBC Emerging Markets Foreign Exchange Fund, which primarily invests in investment-grade fixed-income securities issued internationally by the Canadian government and corporations or foreign governments and corporations, or provides exposure to emerging-market currencies.

The portfolio manager allocates and rebalances the Fund’s assets among underlying funds based on the underlying funds’ ability to help the Fund meet its investment objectives.

Results of Operations

The Fund was launched on January 29, 2018, and its net asset value was \$31 million as of June 30, 2018. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

The portfolio manager expects bond yields to rise marginally over the next six months, given tightening financial conditions, the potential for temporarily higher inflation and expectations that central banks will continue to gradually raise rates.

The portfolio manager expects short-term yields to continue rising faster than those on longer-term bonds. Trade tensions could also limit economic growth and cap increases in yields.

Investors are likely in coming quarters to be focused on the themes that have been driving currency markets: protectionism, slowing Chinese economic growth and the pace at which the U.S. Federal Reserve tightens monetary policy. In addition, political uncertainty arising from elections in Mexico and Brazil support a shorter-term approach, with attention paid to specific markets. The portfolio manager continues to favour higher-yielding currencies of countries with attractive economic-growth rates and reform-minded governments, and whose governments are most able to fund their budgets.

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.

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, 2018³	10.00[†]	0.10	(0.07)	—	(0.13)	(0.10)	(0.02)	—	—	—	(0.02)	9.97
Advisor Series												
June 30, 2018³	10.00[†]	0.11	(0.07)	—	(0.15)	(0.11)	(0.02)	—	—	—	(0.02)	9.97
Series D												
June 30, 2018³	10.00[†]	0.64	(0.05)	0.02	(0.76)	(0.15)	(0.05)	—	—	—	(0.05)	9.96
Series F												
June 30, 2018³	10.00[†]	0.12	(0.04)	—	(0.16)	(0.08)	(0.06)	—	—	—	(0.06)	9.96
Series O												
June 30, 2018³	10.00[†]	1.39	(0.01)	0.04	(1.38)	0.04	(0.11)	—	—	—	(0.11)	9.95

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 January 17, 2018.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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, 2018⁴	9.97	424	43	1.72	1.73	14.70	—
Advisor Series							
June 30, 2018⁴	9.97	219	22	1.73	1.74	14.70	—
Series D							
June 30, 2018⁴	9.96	88	9	1.15	1.16	14.70	—
Series F							
June 30, 2018⁴	9.96	30 348	3 048	0.88	0.89	14.70	—
Series O							
June 30, 2018⁴	9.95	2	—	0.05	0.06	14.70	—

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 From January 17, 2018.

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	1.45%	52%	48%
Advisor Series	1.45%	52%	48%
Series D	0.95%	26%	74%
Series F	0.70%	—	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

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Advisor Series, Series D, Series F and Series O units of this Fund were launched on January 29, 2018.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
Income Funds	99.2
Cash/Other	0.8

Top 25 Holdings*

	% of Net Asset Value
RBC Emerging Markets Foreign Exchange Fund	49.8
RBC Global Bond Fund	49.2
Cash & Cash Equivalents	1.0
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



FIXED-INCOME FUND

**RBC \$U.S. INVESTMENT GRADE
CORPORATE BOND FUND**

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (U.S.) Inc., Minneapolis, Minnesota

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 (in USD)

Investment Objective and Strategies

The Fund seeks to provide interest income with the potential for modest capital growth by investing primarily in a portfolio of diversified investment-grade fixed-income securities issued by U.S. corporations.

To achieve the Fund's objectives, the portfolio manager invests primarily in bonds issued by U.S. corporations rated BBB- and above by Standard & Poor's or an equivalent rating agency. The portfolio manager employs a value-focused philosophy that emphasizes quality companies having stable to improving credit profiles, and which are considered to be undervalued given current market sentiment. The portfolio manager conducts fundamental company credit and industry analysis and diversifies the portfolio so that it is not concentrated in any one issuer, industry, country or credit rating.

Results of Operations

The Fund's net asset value was \$194 million as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 3.9%. 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.

Bond yields increased during the period, leading to an overall decline in corporate fixed-income securities, as the U.S. Federal Reserve raised short-term interest rates twice and continued to curtail bond purchases aimed at holding down longer-term yields. The steps began the reversal of accommodative monetary policies that have been in place since the financial crisis.

The Fund's returns were negatively affected by the general rise in rates and by the impact of trade tensions and higher bond issuance due to corporate takeovers. Security selection and overweight positions in banks and the Utilities sector were also negative for performance. The preference for bank bonds stemmed from attractive valuations and the sub-advisor's view of a positive regulatory environment. Much of the Fund's concentration in the Utilities sector was in longer-term bonds, which would benefit if yields decline.

The Fund reduced exposure to media and communications companies during the period due to increased merger-and-acquisition activity. At the same time, exposure was added to the Energy sector as commodity prices stabilized.

Recent Developments

The investment-grade corporate bond market continues to be driven by a strong U.S. economy and recent tax reform. The sub-advisor favours large companies with stable-to-improving credit profiles and seeks to avoid companies that are likely to finance large acquisitions with debt or are likely to engage in shareholder-friendly activity at the expense of bondholders.

Generally, the sub-advisor prefers U.S.-focused companies that generate consistent cash flow and are reducing debt. The Fund continues to be positioned such that changes in interest rates should not have a significant impact on relative returns.

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.

Sub-Advisor

RBC Global Asset Management (U.S.) Inc. is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.



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.

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 (in USD)

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	Total	Year/Period
Series A												
June 30, 2018	9.71	0.18	(0.06)	(0.06)	(0.46)	(0.40)	(0.14)	—	—	—	(0.14)	9.19
Dec. 31, 2017	9.47	0.37	(0.12)	0.02	0.23	0.50	(0.22)	—	(0.05)	—	(0.27)	9.71
Dec. 31, 2016	9.50	0.39	(0.13)	(0.01)	0.01	0.26	(0.26)	—	(0.23)	—	(0.49)	9.47
Dec. 31, 2015	10.42	0.41	(0.15)	(0.01)	(0.37)	(0.12)	(0.28)	—	(0.53)	—	(0.81)	9.50
Dec. 31, 2014	10.06	0.40	(0.15)	0.04	0.20	0.49	(0.20)	—	(0.07)	—	(0.27)	10.42
Dec. 31, 2013 ³	10.00 [†]	0.16	(0.06)	—	0.03	0.13	(0.06)	—	(0.02)	—	(0.08)	10.05
Advisor Series												
June 30, 2018	9.59	0.18	(0.06)	(0.06)	(0.41)	(0.35)	(0.14)	—	—	—	(0.14)	9.08
Dec. 31, 2017	9.35	0.35	(0.12)	0.02	0.21	0.46	(0.21)	—	(0.05)	—	(0.26)	9.59
Dec. 31, 2016	9.50	0.39	(0.14)	(0.01)	0.14	0.38	(0.25)	—	(0.34)	—	(0.59)	9.35
Dec. 31, 2015	10.42	0.41	(0.15)	(0.01)	(0.37)	(0.12)	(0.28)	—	(0.53)	—	(0.81)	9.50
Dec. 31, 2014	10.08	0.40	(0.14)	0.04	0.21	0.51	(0.24)	—	(0.07)	—	(0.31)	10.42
Dec. 31, 2013 ³	10.00 [†]	0.14	(0.07)	—	0.02	0.09	(0.05)	—	(0.02)	—	(0.07)	10.07
Series D												
June 30, 2018	9.72	0.18	(0.04)	(0.06)	(0.48)	(0.40)	(0.16)	—	—	—	(0.16)	9.20
Dec. 31, 2017	9.48	0.36	(0.09)	0.02	0.25	0.54	(0.25)	—	(0.05)	—	(0.30)	9.72
Dec. 31, 2016	9.50	0.38	(0.09)	(0.01)	(0.08)	0.20	(0.29)	—	(0.22)	—	(0.51)	9.48
Dec. 31, 2015	10.42	0.41	(0.11)	(0.01)	(0.37)	(0.08)	(0.32)	—	(0.53)	—	(0.85)	9.50
Dec. 31, 2014	10.07	0.42	(0.11)	0.04	0.21	0.56	(0.25)	—	(0.07)	—	(0.32)	10.42
Dec. 31, 2013 ³	10.00 [†]	0.16	(0.04)	—	0.03	0.15	(0.07)	—	(0.02)	—	(0.09)	10.05
Series F												
June 30, 2018	9.70	0.18	(0.03)	(0.06)	(0.44)	(0.35)	(0.17)	—	—	—	(0.17)	9.18
Dec. 31, 2017	9.45	0.36	(0.07)	0.02	0.23	0.54	(0.27)	—	(0.05)	—	(0.32)	9.70
Dec. 31, 2016	9.50	0.38	(0.08)	(0.01)	(0.21)	0.08	(0.31)	—	(0.24)	—	(0.55)	9.45
Dec. 31, 2015	10.42	0.41	(0.09)	(0.01)	(0.37)	(0.06)	(0.34)	—	(0.53)	—	(0.87)	9.50
Dec. 31, 2014	10.05	0.38	(0.10)	0.04	0.20	0.52	(0.24)	—	(0.07)	—	(0.31)	10.42
Dec. 31, 2013 ³	10.00 [†]	0.17	(0.04)	—	0.03	0.16	(0.10)	—	(0.02)	—	(0.12)	10.03



FINANCIAL HIGHLIGHTS (in USD) (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		
		Total	Total	Realized	Unrealized	From	From	Return	Total			
Series O												
June 30, 2018	9.67	0.18	—	(0.06)	(0.45)	(0.33)	(0.20)	—	—	—	(0.20)	9.15
Dec. 31, 2017	9.42	0.36	—	0.02	0.24	0.62	(0.34)	—	(0.05)	—	(0.39)	9.67
Dec. 31, 2016	9.46	0.39	—	(0.01)	0.12	0.50	(0.39)	—	(0.22)	—	(0.61)	9.42
Dec. 31, 2015	10.38	0.41	—	(0.01)	(0.37)	0.03	(0.43)	—	(0.53)	—	(0.96)	9.46
Dec. 31, 2014	10.04	0.43	—	0.04	0.22	0.69	(0.37)	—	(0.07)	—	(0.44)	10.38
Dec. 31, 2013 ³	10.00 [†]	0.17	—	—	0.03	0.20	(0.14)	—	(0.02)	—	(0.16)	10.02

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 August 12, 2013.

[†] 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	9.19	21 415	2 330	1.27	1.27	37.38	—
Dec. 31, 2017	9.71	26 828	2 763	1.27	1.27	21.65	—
Dec. 31, 2016	9.47	28 835	3 046	1.33 ⁴	1.33	43.14	—
Dec. 31, 2015	9.50	21 665	2 280	1.45	1.45	53.05	—
Dec. 31, 2014	10.42	16 342	1 568	1.47	1.47	31.66	—
Dec. 31, 2013 ⁵	10.06	2 067	205	1.47	1.47	46.96	—
Advisor Series							
June 30, 2018	9.08	905	100	1.26	1.26	37.38	—
Dec. 31, 2017	9.59	987	103	1.27	1.27	21.65	—
Dec. 31, 2016	9.35	605	65	1.40 ⁴	1.40	43.14	—
Dec. 31, 2015	9.50	757	80	1.43	1.43	53.05	—
Dec. 31, 2014	10.42	863	83	1.37	1.37	31.66	—
Dec. 31, 2013 ⁵	10.08	139	14	1.47	1.47	46.96	—
Series D							
June 30, 2018	9.20	1 807	196	0.89	0.89	37.38	—
Dec. 31, 2017	9.72	2 700	278	0.88	0.88	21.65	—
Dec. 31, 2016	9.48	1 464	155	0.92 ⁴	0.92	43.14	—
Dec. 31, 2015	9.50	834	88	1.04	1.04	53.05	—
Dec. 31, 2014	10.42	907	87	1.07	1.07	31.66	—
Dec. 31, 2013 ⁵	10.07	270	27	1.07	1.07	46.96	—
Series F							
June 30, 2018	9.18	16 923	1 844	0.70	0.70	37.38	—
Dec. 31, 2017	9.70	19 012	1 960	0.71	0.71	21.65	—
Dec. 31, 2016	9.45	10 599	1 121	0.77 ⁴	0.77	43.14	—
Dec. 31, 2015	9.50	3 334	351	0.89	0.89	53.05	—
Dec. 31, 2014	10.42	2 363	227	0.91	0.91	31.66	—
Dec. 31, 2013 ⁵	10.05	198	20	0.90	0.90	46.96	—



FINANCIAL HIGHLIGHTS (in USD) (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 O							
June 30, 2018	9.15	152 729	16 694	0.02	0.02	37.38	—
Dec. 31, 2017	9.67	196 944	20 372	0.02	0.02	21.65	—
Dec. 31, 2016	9.42	110 479	11 722	0.02	0.02	43.14	—
Dec. 31, 2015	9.46	92 992	9 833	0.02	0.02	53.05	—
Dec. 31, 2014	10.38	96 158	9 264	0.02	0.02	31.66	—
Dec. 31, 2013 ⁵	10.04	42 333	4 217	0.02	0.02	46.96	—

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 – 1.26%, Advisor Series – 1.30%, Series D – 0.86% and Series F – 0.72%.

⁵ From August 12, 2013.

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	1.10%	40%	60%
Advisor Series	1.10%	40%	60%
Series D	0.75%	17%	83%
Series F	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.

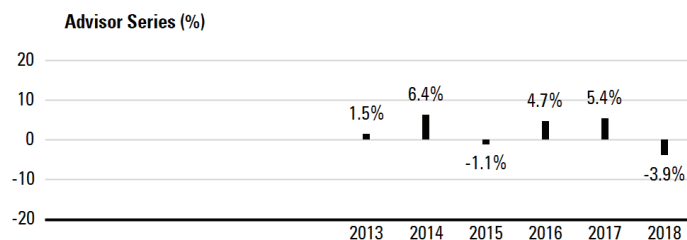
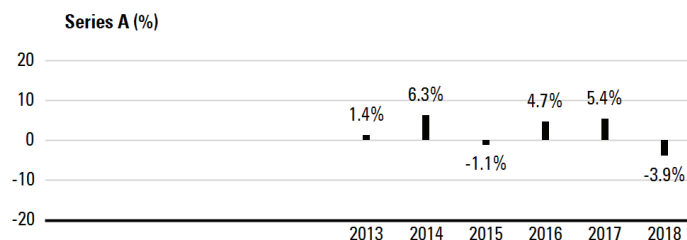


PAST PERFORMANCE (in USD)

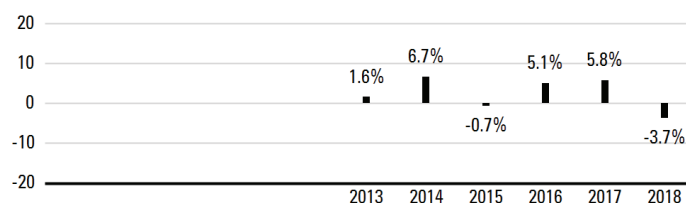
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

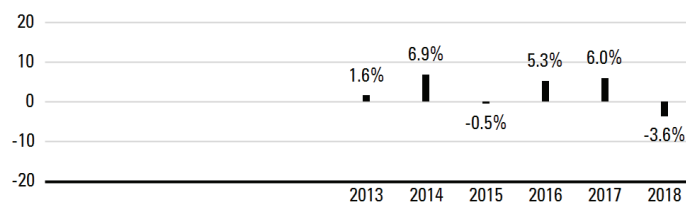
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



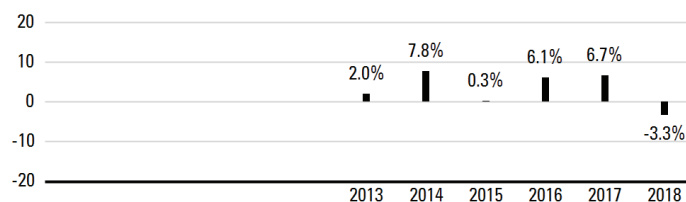
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since August 12, 2013.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series H units were re-designated as Series A units and all outstanding Series I units were re-designated as Series F units effective June 30, 2016.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2018.



SUMMARY OF INVESTMENT PORTFOLIO (in USD)

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
United States	86.9
Other Countries	14.1
Cash/Other	(1.0)

Top 25 Holdings

	% of Net Asset Value
Cooperatieve Rabobank U.A. USD 4.375% Aug 4 2025	1.3
Australia & New Zealand Banking Group Ltd. USD 4.400% May 19 2026	1.0
Southern Power Co. 4.950% Dec 15 2046	0.9
Bank of America Corp. 3.875% Aug 1 2025	0.9
Appalachian Power Co. 7.000% Apr 1 2038	0.9
Duke Energy Corp. 3.750% Sep 1 2046	0.9
Lloyds Banking Group Plc. USD 2.907% Nov 7 2023	0.9
Morgan Stanley 3.591% Jul 22 2028	0.9
Citigroup Inc. 3.668% Jul 24 2028	0.9
Citigroup Inc. 3.200% Oct 21 2026	0.9
Newell Brands Inc. 3.850% Apr 1 2023	0.8
Delta Air Lines Inc. 2.875% Mar 13 2020	0.8
ConocoPhillips Holding Co. 6.950% Apr 15 2029	0.8
Morgan Stanley 3.875% Jan 27 2026	0.8
Exelon Corp. 5.625% Jun 15 2035	0.8
The Goldman Sachs Group Inc. 3.750% May 22 2025	0.8
Apache Corp. 3.250% Apr 15 2022	0.8
JPMorgan Chase & Co. 3.220% Mar 1 2025	0.8
General Motors Financial Co. Inc. 4.375% Sep 25 2021	0.8
Wells Fargo & Co. 3.000% Oct 23 2026	0.8
American Express Co. 3.000% Oct 30 2024	0.8
Rockwell Collins Inc. 3.200% Mar 15 2024	0.8
Medtronic Inc. 3.150% Mar 15 2022	0.8
Kinder Morgan Energy Partners LP 6.950% Jan 15 2038	0.8
CVS Health Corp. 4.780% Mar 25 2038	0.8
Top 25 Holdings	21.5

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.



FIXED-INCOME FUND

RBC GLOBAL CORPORATE BOND FUND

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England
(for a portion of the Fund)

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 a high level of interest income with the potential for modest capital growth by investing primarily in global corporate bonds.

The majority of the Fund's holdings will consist of corporate debt rated by major credit-rating agencies as investment grade. The Fund may also invest up to 30% in non-investment grade corporate debt and emerging-market sovereign and corporate bonds.

Results of Operations

The Fund's net asset value was \$10.8 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 2.4%. 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.

Most major global fixed-income markets fell in the first half of 2018 amid faster global economic growth, as the U.S. Federal Reserve (the "Fed") boosted interest rates and the European Central Bank (the "ECB") indicated that it might start tightening monetary policy as early as next year. With inflation an increasing concern, central banks continued to move away from an emphasis on historically low short-term interest rates and bond purchases aimed at holding down longer-term rates. Corporate bonds mostly underperformed government bonds, with the exception of higher-risk U.S. fixed income.

U.S. investment-grade bonds were negatively affected by a wave of corporate takeovers that has increased bond issuance, as well as a decline in demand from foreign investors. As a consequence, investment-grade bonds in Canada and Europe outperformed their U.S. counterparts.

U.S. high-yield bonds also hurt the Fund's returns but outperformed the investment-grade bond market on strong investor demand for lower-quality high-yield bonds. Returns in emerging-market bonds were negatively affected by expectations of further Fed rate hikes and increasing trade tensions between the U.S. and China, and their potentially negative impact on global growth.

The Fund benefited from a lack of relative exposure to the riskier bond markets of Argentina and Turkey, as well as the positive impact of currency positions held by the Fund. Exposure to European bonds also aided relative returns. Hurting the Fund's performance were investments in U.S. corporate bonds and a lack of relative exposure to Asia-Pacific corporate bonds.

Recent Developments

U.S. trade protectionism and rising rates could lead to a global economic slowdown, pulling down earnings and negatively affecting corporate bonds. Another potential negative for corporate bonds is the ECB's plan to begin ending purchases of the bonds, as these purchases are helping to keep corporate bond yields lower than they would otherwise be.

In this environment, the portfolio manager has positioned the Fund to guard against a general decline in performance of corporate bonds through holdings of higher-quality bonds in the U.S. and in Canada. High-yield bond holdings are at lower-than-normal weight compared with previous years. Emerging-market and European bonds have been kept at neutral levels.

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.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.



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 \$1,000 (2017 – \$5,000) or 2% (2017 – 12%) 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	9.83	0.17	(0.08)	(0.08)	(0.25)	(0.24)	(0.09)	—	—	—	(0.09)	9.51
Dec. 31, 2017	9.66	0.36	(0.17)	0.24	(0.08)	0.35	(0.17)	—	—	—	(0.17)	9.83
Dec. 31, 2016	9.39	0.39	(0.17)	0.23	0.04	0.49	(0.21)	—	—	—	(0.21)	9.66
Dec. 31, 2015	9.69	0.43	(0.17)	(0.67)	0.28	(0.13)	(0.24)	—	—	—	(0.24)	9.39
Dec. 31, 2014	9.38	0.52	(0.17)	(0.26)	0.53	0.62	(0.31)	—	—	—	(0.31)	9.69
Dec. 31, 2013	9.73	0.47	(0.17)	(0.35)	(0.02)	(0.07)	(0.31)	—	—	—	(0.31)	9.36
Advisor Series												
June 30, 2018	9.97	0.17	(0.08)	(0.08)	(0.25)	(0.24)	(0.10)	—	—	—	(0.10)	9.64
Dec. 31, 2017	9.79	0.36	(0.17)	0.24	(0.08)	0.35	(0.18)	—	—	—	(0.18)	9.97
Dec. 31, 2016	9.52	0.40	(0.17)	0.24	0.02	0.49	(0.22)	—	—	—	(0.22)	9.79
Dec. 31, 2015	9.82	0.44	(0.17)	(0.68)	0.28	(0.13)	(0.24)	—	—	—	(0.24)	9.52
Dec. 31, 2014	9.51	0.53	(0.17)	(0.26)	0.54	0.64	(0.32)	—	—	—	(0.32)	9.82
Dec. 31, 2013	9.86	0.48	(0.17)	(0.35)	(0.02)	(0.06)	(0.31)	—	—	—	(0.31)	9.49
Series D												
June 30, 2018	10.56	0.18	(0.05)	(0.08)	(0.26)	(0.21)	(0.14)	—	—	—	(0.14)	10.21
Dec. 31, 2017	10.38	0.38	(0.11)	0.26	(0.09)	0.44	(0.26)	—	—	—	(0.26)	10.56
Dec. 31, 2016	10.09	0.42	(0.11)	0.25	(0.01)	0.55	(0.30)	—	—	—	(0.30)	10.38
Dec. 31, 2015	10.41	0.46	(0.11)	(0.71)	0.30	(0.06)	(0.32)	—	—	—	(0.32)	10.09
Dec. 31, 2014	10.06	0.54	(0.11)	(0.27)	0.56	0.72	(0.38)	—	—	—	(0.38)	10.41
Dec. 31, 2013	10.42	0.51	(0.11)	(0.37)	(0.02)	0.01	(0.39)	—	—	—	(0.39)	10.04
Series F												
June 30, 2018	10.01	0.18	(0.04)	(0.08)	(0.25)	(0.19)	(0.14)	—	—	—	(0.14)	9.68
Dec. 31, 2017	9.84	0.36	(0.09)	0.24	(0.08)	0.43	(0.26)	—	—	—	(0.26)	10.01
Dec. 31, 2016	9.57	0.39	(0.09)	0.23	(0.09)	0.44	(0.30)	—	—	—	(0.30)	9.84
Dec. 31, 2015	9.87	0.43	(0.09)	(0.67)	0.28	(0.05)	(0.32)	—	—	—	(0.32)	9.57
Dec. 31, 2014	9.54	0.52	(0.09)	(0.26)	0.53	0.70	(0.38)	—	—	—	(0.38)	9.87
Dec. 31, 2013	9.90	0.48	(0.09)	(0.35)	(0.02)	0.02	(0.40)	—	—	—	(0.40)	9.52
Series O												
June 30, 2018	9.96	0.17	—	(0.08)	(0.24)	(0.15)	(0.18)	—	—	—	(0.18)	9.63
Dec. 31, 2017	9.79	0.36	—	0.24	(0.08)	0.52	(0.35)	—	—	—	(0.35)	9.96
Dec. 31, 2016	9.52	0.40	—	0.23	(0.01)	0.62	(0.38)	—	—	—	(0.38)	9.79
Dec. 31, 2015	9.82	0.43	—	(0.67)	0.28	0.04	(0.41)	—	—	—	(0.41)	9.52
Dec. 31, 2014	9.45	0.47	—	(0.23)	0.48	0.72	(0.42)	—	—	—	(0.42)	9.82
Dec. 31, 2013	9.78	0.48	—	(0.35)	(0.02)	0.11	(0.46)	—	—	—	(0.46)	9.43

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.



FINANCIAL HIGHLIGHTS (cont.)

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	9.51	125 315	13 181	1.75	1.75	26.65	—
Dec. 31, 2017	9.83	146 899	14 940	1.75	1.75	24.11	—
Dec. 31, 2016	9.66	156 474	16 204	1.74	1.74	23.19	—
Dec. 31, 2015	9.39	174 798	18 607	1.74	1.74	23.91	—
Dec. 31, 2014	9.69	201 106	20 750	1.74	1.74	24.57	—
Dec. 31, 2013	9.38	202 912	21 633	1.75	1.75	41.89	—
Advisor Series							
June 30, 2018	9.64	75 315	7 815	1.73	1.73	26.65	—
Dec. 31, 2017	9.97	87 785	8 808	1.73	1.73	24.11	—
Dec. 31, 2016	9.79	93 925	9 596	1.72	1.72	23.19	—
Dec. 31, 2015	9.52	101 967	10 709	1.72	1.72	23.91	—
Dec. 31, 2014	9.82	113 679	11 574	1.71	1.71	24.57	—
Dec. 31, 2013	9.51	122 448	12 880	1.72	1.72	41.89	—
Series D							
June 30, 2018	10.21	93 671	9 171	1.05	1.05	26.65	—
Dec. 31, 2017	10.56	90 389	8 557	1.06	1.06	24.11	—
Dec. 31, 2016	10.38	74 121	7 143	1.05	1.05	23.19	—
Dec. 31, 2015	10.09	65 076	6 447	1.05	1.05	23.91	—
Dec. 31, 2014	10.41	58 309	5 600	1.05	1.05	24.57	—
Dec. 31, 2013	10.06	43 224	4 297	1.06	1.06	41.89	—
Series F							
June 30, 2018	9.68	177 551	18 335	0.90	0.90	26.65	—
Dec. 31, 2017	10.01	167 705	16 746	0.91	0.91	24.11	—
Dec. 31, 2016	9.84	114 699	11 660	0.90	0.90	23.19	—
Dec. 31, 2015	9.57	70 148	7 330	0.90	0.90	23.91	—
Dec. 31, 2014	9.87	49 867	5 051	0.90	0.90	24.57	—
Dec. 31, 2013	9.54	40 506	4 244	0.90	0.90	41.89	—
Series O							
June 30, 2018	9.63	10 374 337	1 077 185	0.04	0.04	26.65	—
Dec. 31, 2017	9.96	9 419 213	945 600	0.04	0.04	24.11	—
Dec. 31, 2016	9.79	6 562 512	670 520	0.03	0.03	23.19	—
Dec. 31, 2015	9.52	4 871 827	511 679	0.03	0.03	23.91	—
Dec. 31, 2014	9.82	2 925 525	297 836	0.03	0.03	24.57	—
Dec. 31, 2013	9.45	914 782	96 798	0.03	0.03	41.89	—

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.



FINANCIAL HIGHLIGHTS (cont.)

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	1.50%	53%	47%
Advisor Series	1.50%	53%	47%
Series D	0.90%	17%	83%
Series F	0.75%	—	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.

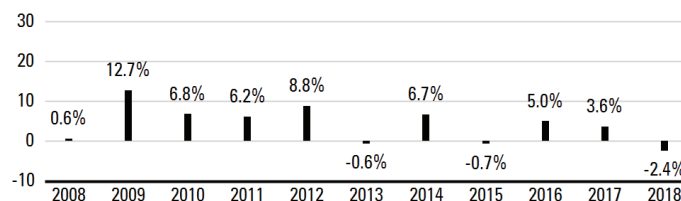
PAST PERFORMANCE

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.

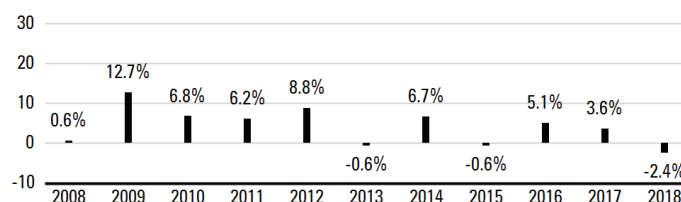
Year-by-Year Returns (%)

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.

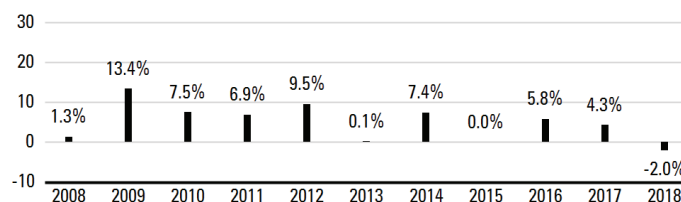
Series A (%)



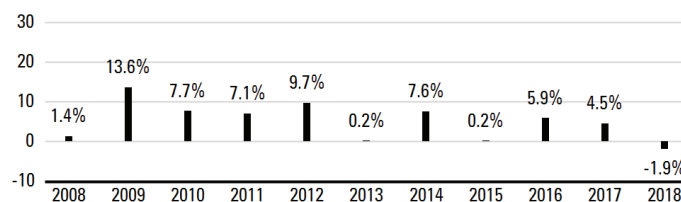
Advisor Series (%)



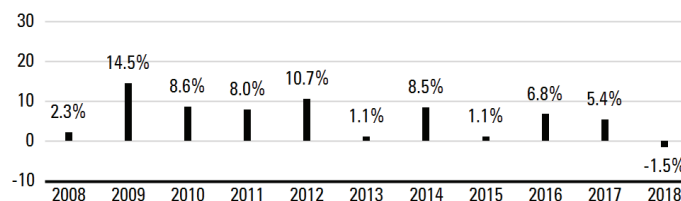
Series D (%)



Series F (%)



Series O (%)



Series O units have been available for sale to unitholders since January 1, 2008.

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
United States	37.9
Canada	20.7
Income Funds	8.9
United Kingdom	8.2
Germany	3.6
France	2.9
Netherlands	1.7
Spain	1.2
Other Countries	10.0
Cash/Other	4.9

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	3.5
iShares iBoxx \$ Investment Grade Corporate Bond Fund	2.9
RBC Emerging Markets Bond Fund	2.0
BlueBay Emerging Markets Corporate Bond Fund	1.9
RBC Emerging Markets Foreign Exchange Fund	0.7
Bank of America Corp. EUR 0.736% Feb 7 2022	0.5
UBS Group Funding Switzerland AG EUR 1.250% Apr 17 2025	0.4
iShares iBoxx \$ High Yield Corporate Bond Fund	0.4
Bloomberg Barclays Capital High Yield Bond SPDR Fund	0.3
Great-West Lifeco Inc. EUR 2.500% Apr 18 2023	0.3
Toronto-Dominion Bank USD 3.250% Jun 11 2021	0.3
ING Groep N.V. EUR 0.750% Mar 9 2022	0.3
Rogers Communications Inc. USD 4.300% Feb 15 2048	0.3
Apple Inc. 3.850% Aug 4 2046	0.3
Royal Bank of Scotland Plc. EUR 0.625% Mar 2 2022	0.3
Lloyds Banking Group Plc. EUR 0.625% Jan 15 2024	0.3
Morgan Stanley 5.500% Jul 28 2021	0.3
Barclays Bank Plc. EUR 6.000% Jan 14 2021	0.3
Wells Fargo & Co. 4.600% Apr 1 2021	0.3
GlaxoSmithKline Capital Inc. USD 6.375% May 15 2038	0.3
Cisco Systems Inc. 5.900% Feb 15 2039	0.2
McDonald's Corp. 6.300% Oct 15 2037	0.2
BMW Finance N.V. EUR 0.500% Nov 22 2022	0.2
JPMorgan Chase & Co. 3.200% Jun 15 2026	0.2
Euro-Bund Future, September 2018	(0.6)
Top 25 Holdings	16.1

The Fund may use futures contracts as an asset substitution or as a way to reduce interest-rate risk.

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.



FIXED-INCOME FUND

RBC HIGH YIELD BOND 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 a high level of income with the potential for modest capital growth by investing primarily in higher-yielding corporate debt securities issued by Canadian and U.S. corporations.

To achieve its objectives, the portfolio manager invests primarily in debt securities rated from BBB to B by Standard & Poor's or an equivalent credit-rating company. The portfolio manager employs a value-focused philosophy, striving to invest in quality companies having stable to improving credit profiles, and which are considered undervalued.

Results of Operations

The Fund's net asset value was \$1.8 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 1.7%. 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.

The Fund's relative returns were held back by the underperformance of U.S. corporate bonds, which made up most of the Fund's assets and were negatively affected by a general rise in U.S. interest rates during the period as well as an increase in the premium required by investors to invest in lower-rated corporate bonds.

As the global economy continued to expand, growth in the U.S. accelerated, causing interest rates and inflation to rise. In addition to a boost from tax cuts, consumer spending remained strong. The U.S. Federal Reserve continued to gradually tighten monetary policy through rate hikes and shrinking of its balance sheet. Key supports for the high-yield market remained in place: borrowers were able to access credit, corporate earnings and balance sheets remained generally healthy and the net supply of newly issued bonds was lower than expected. Oil-related companies, which make up a significant portion of the high-yield bond market, benefited from rising commodity prices, and corporate defaults remained low.

The Fund maintained its overall defensive positioning during the period by keeping the credit quality of the portfolio high and by using its cash position to buy higher-quality bonds that had fallen in price. The portion of the Fund's assets that were invested in Canadian bonds had a positive relative impact on performance. A much smaller overall rise in Canadian yields meant that Canadian bond prices held up much better than U.S. bonds.

Recent Developments

Demand for yield and a healthy economic backdrop should continue to provide support for high-yield corporate bonds. There are potential headwinds, though. The credit cycle is at an advanced stage, and valuations are relatively high. It is likely, in the view of the portfolio manager, that future returns will be lower than in the recent past. The portfolio manager intends to closely monitor the credit quality of the portfolio and will look to add attractively valued bonds as they become available.

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.

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	Total	
Series A												
June 30, 2018	10.82	0.28	(0.08)	(0.07)	(0.32)	(0.19)	(0.22)	—	—	—	(0.22)	10.41
Dec. 31, 2017	10.67	0.53	(0.15)	0.73	(0.58)	0.53	(0.38)	—	—	—	(0.38)	10.82
Dec. 31, 2016	9.89	0.55	(0.15)	0.44	0.32	1.16	(0.39)	—	—	—	(0.39)	10.67
Dec. 31, 2015	10.48	0.63	(0.15)	(0.78)	0.10	(0.20)	(0.46)	—	—	—	(0.46)	9.89
Dec. 31, 2014	10.61	0.65	(0.15)	(0.43)	0.26	0.33	(0.49)	—	—	—	(0.49)	10.48
Dec. 31, 2013	10.65	0.65	(0.15)	(0.28)	0.17	0.39	(0.48)	—	—	—	(0.48)	10.58
Advisor Series												
June 30, 2018	10.91	0.28	(0.08)	(0.07)	(0.33)	(0.20)	(0.22)	—	—	—	(0.22)	10.49
Dec. 31, 2017	10.76	0.53	(0.16)	0.74	(0.59)	0.52	(0.38)	—	—	—	(0.38)	10.91
Dec. 31, 2016	9.97	0.55	(0.15)	0.44	0.33	1.17	(0.39)	—	—	—	(0.39)	10.76
Dec. 31, 2015	10.57	0.63	(0.16)	(0.79)	0.10	(0.22)	(0.46)	—	—	—	(0.46)	9.97
Dec. 31, 2014	10.70	0.66	(0.16)	(0.43)	0.26	0.33	(0.49)	—	—	—	(0.49)	10.57
Dec. 31, 2013	10.75	0.66	(0.16)	(0.28)	0.17	0.39	(0.49)	—	—	—	(0.49)	10.67
Series D												
June 30, 2018	10.91	0.28	(0.05)	(0.07)	(0.33)	(0.17)	(0.25)	—	—	—	(0.25)	10.50
Dec. 31, 2017	10.77	0.53	(0.11)	0.74	(0.60)	0.56	(0.43)	—	—	—	(0.43)	10.91
Dec. 31, 2016	9.97	0.55	(0.11)	0.44	0.34	1.22	(0.43)	—	—	—	(0.43)	10.77
Dec. 31, 2015	10.58	0.63	(0.11)	(0.78)	0.10	(0.16)	(0.51)	—	—	—	(0.51)	9.97
Dec. 31, 2014	10.73	0.66	(0.11)	(0.43)	0.26	0.38	(0.55)	—	—	—	(0.55)	10.58
Dec. 31, 2013	10.76	0.65	(0.11)	(0.28)	0.17	0.43	(0.52)	—	—	—	(0.52)	10.69
Series F												
June 30, 2018	10.93	0.28	(0.05)	(0.07)	(0.32)	(0.16)	(0.26)	—	—	—	(0.26)	10.52
Dec. 31, 2017	10.79	0.53	(0.10)	0.74	(0.57)	0.60	(0.44)	—	—	—	(0.44)	10.93
Dec. 31, 2016	10.00	0.55	(0.09)	0.44	0.33	1.23	(0.45)	—	—	—	(0.45)	10.79
Dec. 31, 2015	10.60	0.63	(0.09)	(0.78)	0.10	(0.14)	(0.53)	—	—	—	(0.53)	10.00
Dec. 31, 2014	10.73	0.66	(0.10)	(0.43)	0.26	0.39	(0.55)	—	—	—	(0.55)	10.60
Dec. 31, 2013	10.76	0.65	(0.10)	(0.28)	0.17	0.44	(0.53)	—	—	—	(0.53)	10.69
Series O												
June 30, 2018	10.98	0.29	—	(0.08)	(0.32)	(0.11)	(0.30)	—	—	—	(0.30)	10.57
Dec. 31, 2017	10.84	0.54	—	0.75	(0.59)	0.70	(0.54)	—	—	—	(0.54)	10.98
Dec. 31, 2016	10.05	0.56	—	0.44	0.36	1.36	(0.55)	—	—	—	(0.55)	10.84
Dec. 31, 2015	10.66	0.63	—	(0.78)	0.10	(0.05)	(0.62)	—	—	—	(0.62)	10.05
Dec. 31, 2014	10.79	0.66	—	(0.43)	0.26	0.49	(0.64)	—	—	—	(0.64)	10.66
Dec. 31, 2013	10.80	0.65	—	(0.28)	0.17	0.54	(0.61)	—	—	—	(0.61)	10.75

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.



FINANCIAL HIGHLIGHTS (cont.)

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	10.41	112 567	10 816	1.45	1.45	20.22	—
Dec. 31, 2017	10.82	128 435	11 871	1.45	1.45	35.21	—
Dec. 31, 2016	10.67	131 462	12 317	1.43	1.43	46.64	—
Dec. 31, 2015	9.89	128 894	13 038	1.43	1.43	49.04	—
Dec. 31, 2014	10.48	171 940	16 401	1.43	1.43	43.67	—
Dec. 31, 2013	10.61	164 164	15 469	1.43	1.43	57.06	—
Advisor Series							
June 30, 2018	10.49	59 278	5 648	1.49	1.49	20.22	—
Dec. 31, 2017	10.91	62 900	5 765	1.49	1.49	35.21	—
Dec. 31, 2016	10.76	61 156	5 682	1.47	1.47	46.64	—
Dec. 31, 2015	9.97	63 854	6 404	1.47	1.47	49.04	—
Dec. 31, 2014	10.57	85 467	8 083	1.47	1.47	43.67	—
Dec. 31, 2013	10.70	88 505	8 268	1.47	1.47	57.06	—
Series D							
June 30, 2018	10.50	69 282	6 599	1.04	1.04	20.22	—
Dec. 31, 2017	10.91	72 006	6 598	1.04	1.04	35.21	—
Dec. 31, 2016	10.77	62 257	5 782	1.02	1.02	46.64	—
Dec. 31, 2015	9.97	50 172	5 030	1.02	1.02	49.04	—
Dec. 31, 2014	10.58	46 131	4 361	1.02	1.02	43.67	—
Dec. 31, 2013	10.73	55 132	5 140	1.03	1.03	57.06	—
Series F							
June 30, 2018	10.52	115 432	10 972	0.89	0.89	20.22	—
Dec. 31, 2017	10.93	117 315	10 727	0.91	0.91	35.21	—
Dec. 31, 2016	10.79	110 807	10 269	0.89	0.89	46.64	—
Dec. 31, 2015	10.00	62 664	6 269	0.89	0.89	49.04	—
Dec. 31, 2014	10.60	68 962	6 505	0.88	0.88	43.67	—
Dec. 31, 2013	10.73	69 104	6 441	0.89	0.89	57.06	—
Series O							
June 30, 2018	10.57	1 467 916	138 895	0.04	0.04	20.22	—
Dec. 31, 2017	10.98	1 549 829	141 060	0.05	0.05	35.21	—
Dec. 31, 2016	10.84	1 647 774	151 979	0.02	0.02	46.64	—
Dec. 31, 2015	10.05	1 346 816	134 021	0.02	0.02	49.04	—
Dec. 31, 2014	10.66	942 527	88 398	0.02	0.02	43.67	—
Dec. 31, 2013	10.79	767 750	71 174	0.02	0.02	57.06	—

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.



FINANCIAL HIGHLIGHTS (cont.)

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	1.25%	40%	60%
Advisor Series	1.25%	40%	60%
Series D	0.90%	17%	83%
Series F	0.75%	—	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.

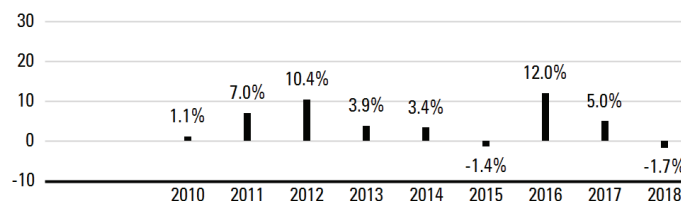
PAST PERFORMANCE

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.

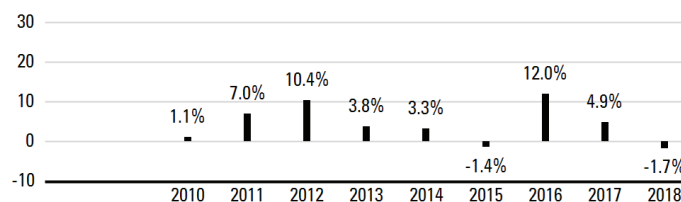
Year-by-Year Returns (%)

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.

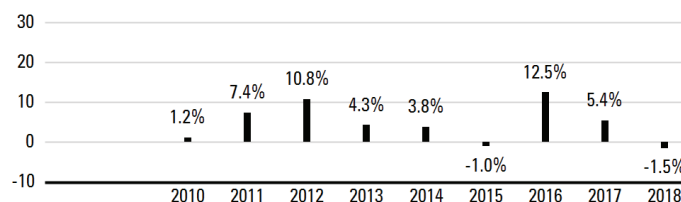
Series A (%)



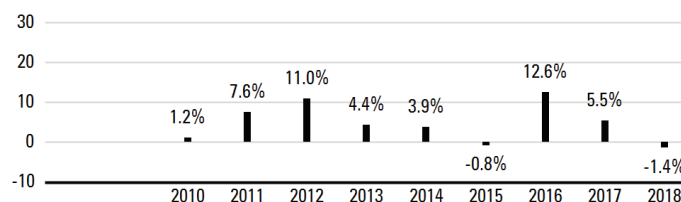
Advisor Series (%)



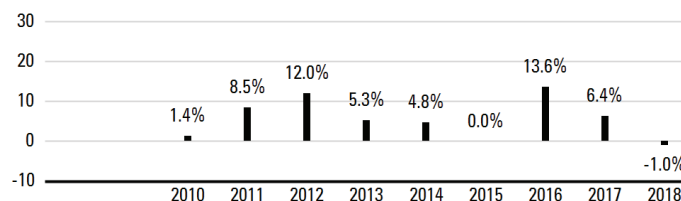
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since October 12, 2010.

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
United States	60.5
Canada	23.1
Other Countries	7.8
Cash/Other	8.6

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	5.4
Videotron Ltd. 5.750% Jan 15 2026	2.1
ArcelorMittal USD 8.000% Oct 15 2039	1.9
Western Digital Corp. 4.750% Feb 15 2026	1.7
CCO Holdings LLC 5.750% Feb 15 2026	1.7
Hanesbrands Inc. 4.875% May 15 2026	1.6
Diamond 1 Finance Corp. 6.020% Jun 15 2026	1.4
Vermilion Energy Inc. USD 5.625% Mar 15 2025	1.4
Equinix Inc. 5.875% Jan 15 2026	1.3
HCA Inc. 4.500% Feb 15 2027	1.3
Lennar Corp. 5.250% Jun 1 2026	1.3
Seven Generations Energy Ltd. USD 5.375% Sep 30 2025	1.3
T-Mobile USA Inc. 4.750% Feb 1 2028	1.3
Adient Global Holdings Ltd. EUR 3.500% Aug 15 2024	1.2
CSC Holdings LLC 5.500% Apr 15 2027	1.2
HCA Inc. 5.875% Feb 15 2026	1.2
iShares iBoxx \$ Investment Grade Corporate Bond Fund	1.1
Hilton Domestic Operating Co. Inc. 5.125% May 1 2026	1.1
Boyd Gaming Corp. 6.375% Apr 1 2026	1.1
Universal Health Services Inc. 4.750% Aug 1 2022	1.1
Ball Corp. 4.875% Mar 15 2026	1.1
NCR Corp. 5.000% Jul 15 2022	1.1
Lamb Weston Holdings Inc. 4.875% Nov 1 2026	1.1
Six Flags Entertainment Corp. 5.500% Apr 15 2027	1.1
Post Holdings Inc. 5.750% Mar 1 2027	1.1
Top 25 Holdings	37.2

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.



FIXED-INCOME FUND

RBC \$U.S. HIGH YIELD BOND 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 (in USD)

Investment Objective and Strategies

The Fund seeks to provide total returns comprised of interest income and modest capital growth by investing primarily in higher-yielding corporate debt securities issued by U.S. corporations.

To achieve its objectives, the portfolio manager invests primarily in debt securities issued by U.S. corporations that are rated below BBB- by Standard & Poor's or an equivalent rating agency. The portfolio manager employs a value-focused philosophy for corporate bonds, striving to invest in quality companies having stable to improving credit profiles, and which are considered to be undervalued given the current market sentiment.

Results of Operations

The Fund's net asset value was \$159 million as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 1.6%. 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. high-yield bonds were essentially flat during the first half of 2018, as fixed-income investors contended with sharply higher Treasury yields, escalating geopolitical risks and talk of trade wars. The global economy continued to expand and economic growth in the U.S. accelerated, causing interest rates and inflation to rise. In this environment of sustained economic growth, bonds of higher-risk, lower-quality companies performed better than investment-grade bonds.

Key supports for the high-yield market remained in place: borrowers were able access credit, corporate earnings and balance sheets remained generally healthy and the net supply of newly issued bonds was lower than expected. Oil-related companies, which make up a significant portion of the high-yield bond market, benefited from rising oil prices, and corporate default remained low.

The portfolio manager maintained the credit quality of the portfolio at a relatively high level. The Fund benefited from cash holdings and securities, including Rite-Aid, a drugstore chain that was acquired. Returns were negatively affected by not having exposure to lower-quality bonds of pharmaceutical companies that performed well over the period.

Recent Developments

Demand for yield and a healthy economic backdrop should continue to provide support for high-yield corporate bonds. There are potential headwinds, though. The credit cycle is at an advanced stage, and valuations are relatively high. It is likely, in the view of the portfolio manager, that future returns will be lower than in the recent past. The portfolio manager intends to closely monitor the credit quality of the portfolio and will look to add attractively valued bonds as they become available.

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.

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 (in USD)

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	Total	Year/Period
Series A												
June 30, 2018	9.70	0.27	(0.07)	—	(0.36)	(0.16)	(0.23)	—	—	—	(0.23)	9.31
Dec. 31, 2017	9.55	0.51	(0.14)	0.02	0.06	0.45	(0.33)	—	(0.01)	—	(0.34)	9.70
Dec. 31, 2016	8.86	0.53	(0.13)	(0.10)	0.95	1.25	(0.39)	—	(0.16)	—	(0.55)	9.55
Dec. 31, 2015	9.83	0.56	(0.14)	(0.13)	(0.71)	(0.42)	(0.43)	—	(0.20)	—	(0.63)	8.86
Dec. 31, 2014	10.05	0.54	(0.14)	0.01	(0.39)	0.02	(0.34)	—	(0.06)	—	(0.40)	9.83
Dec. 31, 2013 ³	10.00 [†]	0.11	(0.03)	0.01	(0.02)	0.07	(0.07)	—	(0.04)	—	(0.11)	10.01
Advisor Series												
June 30, 2018	9.72	0.27	(0.07)	—	(0.35)	(0.15)	(0.23)	—	—	—	(0.23)	9.34
Dec. 31, 2017	9.58	0.52	(0.14)	0.02	0.07	0.47	(0.33)	—	(0.01)	—	(0.34)	9.72
Dec. 31, 2016	8.89	0.53	(0.14)	(0.10)	1.08	1.37	(0.38)	—	(0.16)	—	(0.54)	9.58
Dec. 31, 2015	9.86	0.56	(0.14)	(0.13)	(0.72)	(0.43)	(0.42)	(0.01)	(0.20)	—	(0.63)	8.89
Dec. 31, 2014	10.05	0.55	(0.15)	0.01	(0.39)	0.02	(0.31)	—	(0.06)	—	(0.37)	9.86
Dec. 31, 2013 ³	10.00 [†]	0.11	(0.03)	0.01	(0.02)	0.07	(0.07)	—	(0.04)	—	(0.11)	10.01
Series D												
June 30, 2018	9.67	0.27	(0.05)	—	(0.36)	(0.14)	(0.25)	—	—	—	(0.25)	9.29
Dec. 31, 2017	9.54	0.50	(0.10)	0.02	0.08	0.50	(0.37)	—	(0.01)	—	(0.38)	9.67
Dec. 31, 2016	8.85	0.53	(0.10)	(0.10)	0.83	1.16	(0.43)	—	(0.16)	—	(0.59)	9.54
Dec. 31, 2015	9.81	0.56	(0.10)	(0.13)	(0.71)	(0.38)	(0.46)	—	(0.20)	—	(0.66)	8.85
Dec. 31, 2014	10.04	0.60	(0.11)	0.01	(0.43)	0.07	(0.39)	—	(0.06)	—	(0.45)	9.81
Dec. 31, 2013 ³	10.00 [†]	0.11	(0.02)	0.02	(0.02)	0.09	(0.08)	—	(0.04)	—	(0.12)	10.00
Series F												
June 30, 2018	9.77	0.27	(0.04)	—	(0.36)	(0.13)	(0.26)	—	—	—	(0.26)	9.38
Dec. 31, 2017	9.62	0.51	(0.09)	0.02	0.08	0.52	(0.38)	—	(0.01)	—	(0.39)	9.77
Dec. 31, 2016	8.93	0.53	(0.09)	(0.10)	0.97	1.31	(0.44)	—	(0.16)	—	(0.60)	9.62
Dec. 31, 2015	9.90	0.56	(0.09)	(0.13)	(0.71)	(0.37)	(0.48)	—	(0.20)	—	(0.68)	8.93
Dec. 31, 2014	10.07	0.52	(0.09)	0.01	(0.37)	0.07	(0.35)	—	(0.06)	—	(0.41)	9.90
Dec. 31, 2013 ³	10.00 [†]	0.10	(0.02)	0.01	(0.02)	0.07	(0.06)	—	(0.04)	—	(0.10)	10.03



FINANCIAL HIGHLIGHTS (in USD) (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	Total	
Series O												
June 30, 2018	9.68	0.27	—	—	(0.36)	(0.09)	(0.30)	—	—	—	(0.30)	9.30
Dec. 31, 2017	9.54	0.50	—	0.02	0.06	0.58	(0.47)	—	(0.01)	—	(0.48)	9.68
Dec. 31, 2016	8.86	0.53	—	(0.10)	0.94	1.37	(0.53)	—	(0.16)	—	(0.69)	9.54
Dec. 31, 2015	9.82	0.55	—	(0.13)	(0.71)	(0.29)	(0.56)	—	(0.20)	—	(0.76)	8.86
Dec. 31, 2014	10.04	0.59	—	0.01	(0.42)	0.18	(0.49)	—	(0.06)	—	(0.55)	9.82
Dec. 31, 2013 ³	10.00 [†]	0.12	—	0.02	(0.02)	0.12	(0.10)	—	(0.04)	—	(0.14)	10.00

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 October 21, 2013.

[†] 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	9.31	4 135	444	1.45	1.45	44.63	0.01
Dec. 31, 2017	9.70	4 709	485	1.46	1.46	28.01	—
Dec. 31, 2016	9.55	3 088	323	1.42	1.42	39.71	—
Dec. 31, 2015	8.86	3 741	422	1.41	1.41	27.13	—
Dec. 31, 2014	9.83	3 676	374	1.41	1.42	13.58	—
Dec. 31, 2013 ⁴	10.05	577	57	1.48	1.48	4.78	—
Advisor Series							
June 30, 2018	9.34	300	32	1.45	1.45	44.63	0.01
Dec. 31, 2017	9.72	308	32	1.46	1.46	28.01	—
Dec. 31, 2016	9.58	240	25	1.48	1.48	39.71	—
Dec. 31, 2015	8.89	517	58	1.47	1.48	27.13	—
Dec. 31, 2014	9.86	595	60	1.47	1.48	13.58	—
Dec. 31, 2013 ⁴	10.05	5	1	1.48	1.48	4.78	—
Series D							
June 30, 2018	9.29	1 660	179	1.05	1.05	44.63	0.01
Dec. 31, 2017	9.67	2 171	224	1.07	1.07	28.01	—
Dec. 31, 2016	9.54	1 203	126	1.02	1.02	39.71	—
Dec. 31, 2015	8.85	674	76	1.03	1.03	27.13	—
Dec. 31, 2014	9.81	644	66	1.03	1.04	13.58	—
Dec. 31, 2013 ⁴	10.04	250	25	1.08	1.08	4.78	—
Series F							
June 30, 2018	9.38	2 938	313	0.90	0.90	44.63	0.01
Dec. 31, 2017	9.77	3 498	358	0.93	0.93	28.01	—
Dec. 31, 2016	9.62	2 818	293	0.91	0.91	39.71	—
Dec. 31, 2015	8.93	1 576	177	0.89	0.89	27.13	—
Dec. 31, 2014	9.90	1 173	119	0.91	0.92	13.58	—
Dec. 31, 2013 ⁴	10.07	36	4	0.91	0.91	4.78	—



FINANCIAL HIGHLIGHTS (in USD) (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 O							
June 30, 2018	9.30	150 263	16 159	0.04	0.04	44.63	0.01
Dec. 31, 2017	9.68	184 067	19 008	0.06	0.06	28.01	—
Dec. 31, 2016	9.54	91 131	9 550	0.02	0.02	39.71	—
Dec. 31, 2015	8.86	74 326	8 394	0.02	0.03	27.13	—
Dec. 31, 2014	9.82	54 653	5 564	0.02	0.03	13.58	—
Dec. 31, 2013 ⁴	10.04	20 830	2 074	0.03	0.03	4.78	—

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 From October 21, 2013.

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	1.25%	40%	60%
Advisor Series	1.25%	40%	60%
Series D	0.90%	17%	83%
Series F	0.75%	—	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.

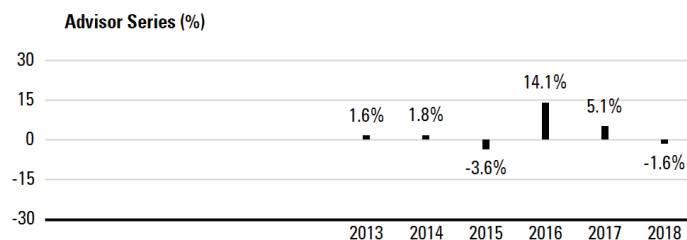
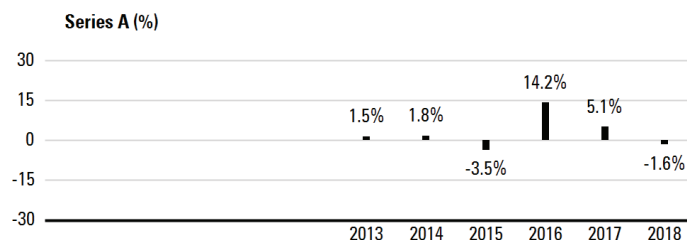


PAST PERFORMANCE (in USD)

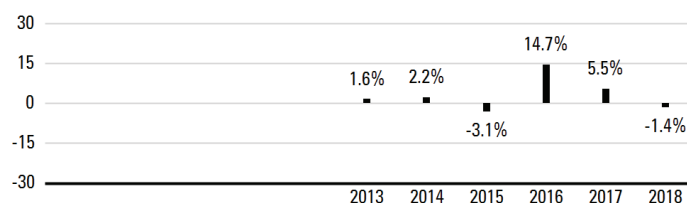
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

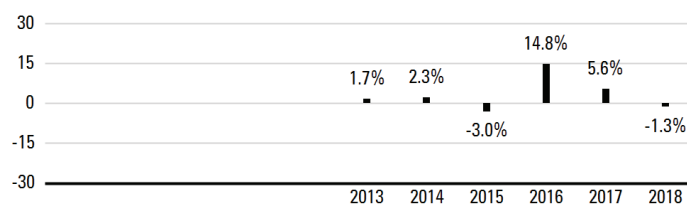
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



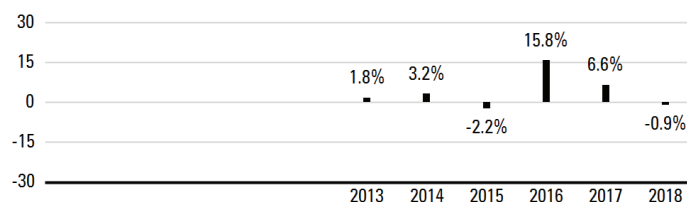
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since October 21, 2013.

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 (in USD)

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
United States	74.5
Canada	13.7
Other Countries	8.7
Cash/Other	3.1

Top 25 Holdings

	% of Net Asset Value
Sprint Capital Corp. 6.875% Nov 15 2028	2.3
Diamond 1 Finance Corp. 6.020% Jun 15 2026	2.0
ArcelorMittal USD 8.000% Oct 15 2039	2.0
CCO Holdings LLC 5.750% Feb 15 2026	1.7
Cash & Cash Equivalents	1.7
HCA Inc. 5.875% Feb 15 2026	1.7
CSC Holdings LLC 5.500% Apr 15 2027	1.6
Western Digital Corp. 4.750% Feb 15 2026	1.6
Lennar Corp. 5.250% Jun 1 2026	1.5
Alcoa Nederland Holding BV USD 6.750% Sep 30 2024	1.4
Lamb Weston Holdings Inc. 4.875% Nov 1 2026	1.4
Ball Corp. 4.875% Mar 15 2026	1.3
Dana Inc. 5.500% Dec 15 2024	1.3
Cedar Fair LP 5.375% Apr 15 2027	1.3
Cinemark USA Inc. 4.875% Jun 1 2023	1.3
American Axle & Manufacturing Inc. 6.500% Apr 1 2027	1.2
Post Holdings Inc. 5.750% Mar 1 2027	1.2
Seven Generations Energy Ltd. USD 5.375% Sep 30 2025	1.2
Hilton Domestic Operating Co. Inc. 5.125% May 1 2026	1.2
Six Flags Entertainment Corp. 5.500% Apr 15 2027	1.2
Builders FirstSource Inc. 5.625% Sep 1 2024	1.2
Hanesbrands Inc. 4.875% May 15 2026	1.2
Videotron Ltd. 5.625% Jun 15 2025	1.2
Numericable Group S.A. USD 6.000% May 15 2022	1.2
The Goodyear Tire & Rubber Co. 5.000% May 31 2026	1.1
Top 25 Holdings	36.0

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.



FIXED-INCOME FUND

RBC GLOBAL HIGH YIELD BOND 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 pursues above-average total returns comprised of interest income and capital growth by investing in higher-yielding corporate or government debt securities available in international markets.

The Fund manages risks by limiting its holdings in any single industry, issuer or country. The Fund may use derivatives to protect against losses from changes in interest rates, credit quality and currency fluctuations.

Results of Operations

The Fund's net asset value was \$3.7 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 3.5%. 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.

The U.S. high-yield corporate-bond market recorded slight gains during the period, compared with significant losses for emerging-market bonds, thanks to increased U.S. investment and growth following tax cuts enacted late last year. High-yield corporate bonds also outperformed U.S. Treasuries as the positive environment reduced perceived risks and, therefore, investor demand for premium yields. A shorter average maturity for U.S. high yield was also a plus at a time when longer-term debt generally declined.

By comparison, emerging-market government bonds denominated in U.S. dollars were weighed down by rising U.S. interest rates and President Trump's trade demands of both allies and China, triggering fears about the knock-on effect on other emerging markets that have traditionally been major suppliers to China. Signs of slower Chinese growth were materializing as the first half of the year came to a close.

Returns were bolstered by country and security selection in emerging markets and by help from financial contracts that cushioned the impact of a falling Canadian dollar on some holdings in the Fund. The Fund benefited on a relative basis from security selection in its small allocation to U.S. and Canadian investment-grade bonds.

Recent Developments

The difference in performance between U.S. high-yield and emerging-market bonds during the first half of 2018 was unusually pronounced by historical standards. As a result, the portfolio manager began increasing the Fund's weighting in emerging-market bonds as the period came to a close.

Higher benchmark interest rates are making it more expensive for higher-risk U.S. companies and emerging-market issuers to service their debts. In the view of the portfolio manager, one development that will likely favour emerging-market bonds in the second half of

the year is expected lower debt issuance. U.S. high-yield issuers will need to sell bonds to finance a wave of mergers and acquisitions. By comparison, many emerging-market countries have funded much of their requirements for the year.

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 \$0 (2017 – \$1,000) or 0% (2017 – 2%) 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	Total	
Series A												
June 30, 2018	10.74	0.29	(0.09)	(0.15)	(0.43)	(0.38)	(0.22)	—	—	—	(0.22)	10.15
Dec. 31, 2017	10.50	0.58	(0.19)	0.70	(0.46)	0.63	(0.39)	—	—	—	(0.39)	10.74
Dec. 31, 2016	9.84	0.59	(0.18)	0.35	0.31	1.07	(0.40)	—	—	—	(0.40)	10.50
Dec. 31, 2015	10.36	0.63	(0.18)	(0.86)	0.24	(0.17)	(0.42)	—	—	—	(0.42)	9.84
Dec. 31, 2014	10.30	0.64	(0.19)	(0.43)	0.38	0.40	(0.44)	—	—	—	(0.44)	10.36
Dec. 31, 2013	10.77	0.64	(0.19)	(0.33)	(0.19)	(0.07)	(0.46)	—	—	—	(0.46)	10.27
Advisor Series												
June 30, 2018	10.67	0.29	(0.09)	(0.14)	(0.43)	(0.37)	(0.22)	—	—	—	(0.22)	10.08
Dec. 31, 2017	10.43	0.58	(0.18)	0.70	(0.45)	0.65	(0.39)	—	—	—	(0.39)	10.67
Dec. 31, 2016	9.78	0.59	(0.18)	0.35	0.31	1.07	(0.40)	—	—	—	(0.40)	10.43
Dec. 31, 2015	10.29	0.63	(0.18)	(0.86)	0.24	(0.17)	(0.42)	—	—	—	(0.42)	9.78
Dec. 31, 2014	10.24	0.63	(0.18)	(0.42)	0.38	0.41	(0.45)	—	—	—	(0.45)	10.29
Dec. 31, 2013	10.69	0.64	(0.18)	(0.33)	(0.19)	(0.06)	(0.45)	—	—	—	(0.45)	10.20
Series D												
June 30, 2018	10.88	0.30	(0.05)	(0.15)	(0.44)	(0.34)	(0.26)	—	—	—	(0.26)	10.28
Dec. 31, 2017	10.64	0.59	(0.11)	0.71	(0.49)	0.70	(0.48)	—	—	—	(0.48)	10.88
Dec. 31, 2016	9.98	0.60	(0.11)	0.35	0.29	1.13	(0.48)	—	—	—	(0.48)	10.64
Dec. 31, 2015	10.51	0.64	(0.11)	(0.87)	0.24	(0.10)	(0.51)	—	—	—	(0.51)	9.98
Dec. 31, 2014	10.45	0.64	(0.11)	(0.43)	0.38	0.48	(0.53)	—	—	—	(0.53)	10.51
Dec. 31, 2013	10.95	0.65	(0.11)	(0.34)	(0.19)	0.01	(0.57)	—	—	—	(0.57)	10.41
Series F												
June 30, 2018	11.02	0.30	(0.05)	(0.15)	(0.44)	(0.34)	(0.27)	—	—	—	(0.27)	10.41
Dec. 31, 2017	10.77	0.59	(0.10)	0.72	(0.49)	0.72	(0.49)	—	—	—	(0.49)	11.02
Dec. 31, 2016	10.10	0.61	(0.10)	0.36	0.29	1.16	(0.50)	—	—	—	(0.50)	10.77
Dec. 31, 2015	10.63	0.65	(0.10)	(0.88)	0.25	(0.08)	(0.52)	—	—	—	(0.52)	10.10
Dec. 31, 2014	10.57	0.65	(0.10)	(0.44)	0.39	0.50	(0.55)	—	—	—	(0.55)	10.63
Dec. 31, 2013	11.04	0.66	(0.10)	(0.34)	(0.20)	0.02	(0.57)	—	—	—	(0.57)	10.53
Series O												
June 30, 2018	10.96	0.30	—	(0.15)	(0.44)	(0.29)	(0.31)	—	—	—	(0.31)	10.36
Dec. 31, 2017	10.72	0.59	—	0.72	(0.49)	0.82	(0.59)	—	—	—	(0.59)	10.96
Dec. 31, 2016	10.05	0.61	—	0.36	0.27	1.24	(0.60)	—	—	—	(0.60)	10.72
Dec. 31, 2015	10.59	0.64	—	(0.87)	0.24	0.01	(0.62)	—	—	—	(0.62)	10.05
Dec. 31, 2014	10.46	0.62	—	(0.41)	0.37	0.58	(0.56)	—	—	—	(0.56)	10.59
Dec. 31, 2013	10.89	0.65	—	(0.33)	(0.19)	0.13	(0.62)	—	—	—	(0.62)	10.42

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.



FINANCIAL HIGHLIGHTS (cont.)

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	10.15	123 508	12 169	1.80	1.80	36.05	—
Dec. 31, 2017	10.74	142 067	13 228	1.81	1.81	42.70	—
Dec. 31, 2016	10.50	147 388	14 034	1.78	1.78	41.72	—
Dec. 31, 2015	9.84	161 111	16 372	1.78	1.78	41.93	—
Dec. 31, 2014	10.36	200 596	19 365	1.78	1.78	43.30	—
Dec. 31, 2013	10.30	230 556	22 379	1.79	1.79	65.47	—
Advisor Series							
June 30, 2018	10.08	116 545	11 556	1.76	1.76	36.05	—
Dec. 31, 2017	10.67	137 040	12 841	1.76	1.76	42.70	—
Dec. 31, 2016	10.43	166 312	15 937	1.74	1.74	41.72	—
Dec. 31, 2015	9.78	184 338	18 852	1.74	1.74	41.93	—
Dec. 31, 2014	10.29	237 055	23 033	1.74	1.74	43.30	—
Dec. 31, 2013	10.24	280 799	27 429	1.74	1.74	65.47	—
Series D							
June 30, 2018	10.28	35 375	3 440	1.08	1.08	36.05	—
Dec. 31, 2017	10.88	38 623	3 549	1.08	1.08	42.70	—
Dec. 31, 2016	10.64	33 066	3 106	1.05	1.05	41.72	—
Dec. 31, 2015	9.98	30 946	3 101	1.05	1.05	41.93	—
Dec. 31, 2014	10.51	33 265	3 165	1.05	1.05	43.30	—
Dec. 31, 2013	10.45	37 350	3 574	1.06	1.06	65.47	—
Series F							
June 30, 2018	10.41	135 682	13 032	0.93	0.93	36.05	—
Dec. 31, 2017	11.02	136 398	12 379	0.94	0.94	42.70	—
Dec. 31, 2016	10.77	103 416	9 600	0.91	0.91	41.72	—
Dec. 31, 2015	10.10	92 447	9 158	0.91	0.91	41.93	—
Dec. 31, 2014	10.63	98 213	9 241	0.91	0.91	43.30	—
Dec. 31, 2013	10.57	104 214	9 863	0.91	0.91	65.47	—
Series O							
June 30, 2018	10.36	3 292 976	317 835	0.06	0.06	36.05	—
Dec. 31, 2017	10.96	3 207 099	292 485	0.07	0.07	42.70	—
Dec. 31, 2016	10.72	2 760 925	257 486	0.03	0.03	41.72	—
Dec. 31, 2015	10.05	2 181 362	216 983	0.03	0.03	41.93	—
Dec. 31, 2014	10.59	1 562 203	147 542	0.03	0.03	43.30	—
Dec. 31, 2013	10.46	604 570	57 822	0.03	0.03	65.47	—

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.



FINANCIAL HIGHLIGHTS (cont.)

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	1.50%	53%	47%
Advisor Series	1.50%	53%	47%
Series D	0.90%	17%	83%
Series F	0.75%	—	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.

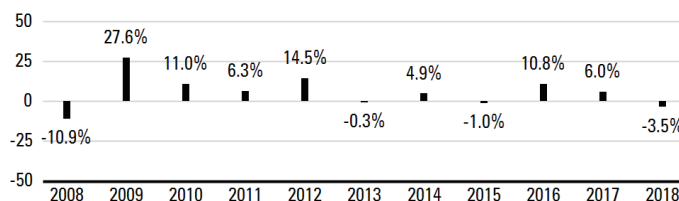
PAST PERFORMANCE

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.

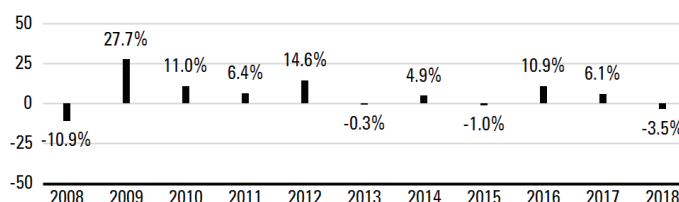
Year-by-Year Returns (%)

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.

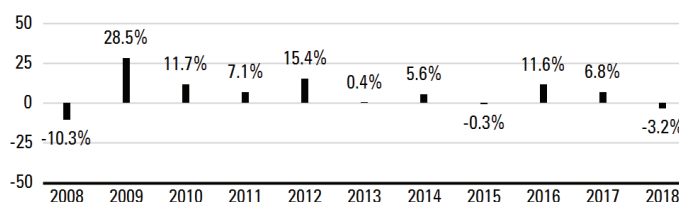
Series A (%)



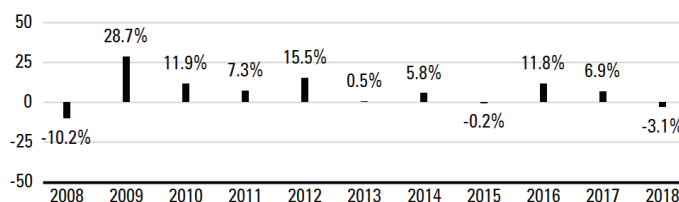
Advisor Series (%)



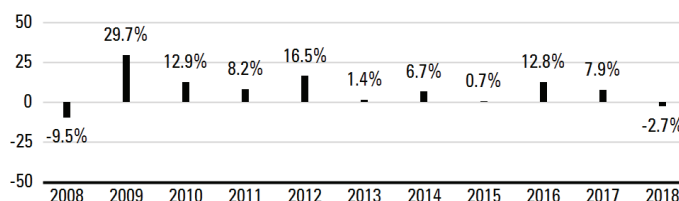
Series D (%)



Series F (%)



Series O (%)



Series O units have been available for sale to unitholders since January 1, 2008.

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
United States	33.9
Canada	6.2
Income Funds	5.7
Indonesia	2.9
Mexico	2.7
Peru	2.1
Russia	1.9
Luxembourg	1.7
Colombia	1.6
Dominican Republic	1.6
Brazil	1.5
Turkey	1.4
Argentina	1.3
Panama	1.3
Kazakhstan	1.1
Croatia	0.8
Hungary	0.8
Philippines	0.7
United Kingdom	0.6
Other Countries	29.6
Cash/Other	0.6

Top 25 Holdings

	% of Net Asset Value
BlueBay Emerging Markets Corporate Bond Fund	3.5
Peruvian Government USD 8.750% Nov 21 2033	1.6
United States Treasury 2.250% Feb 15 2027	1.5
Republic of Serbia USD 7.250% Sep 28 2021	1.0
CCO Holdings LLC 5.750% Feb 15 2026	0.9
Sprint Capital Corp. 6.875% Nov 15 2028	0.9
ArcelorMittal USD 8.000% Oct 15 2039	0.9
Ukraine Government USD 7.750% Sep 1 2022	0.9
Republic of Colombia USD 6.125% Jan 18 2041	0.9
Romanian Government USD 6.750% Feb 7 2022	0.9
Dominican Republic USD 7.450% Apr 30 2044	0.8
Republic of Vietnam USD 4.800% Nov 19 2024	0.8
Pemex Project Funding Master Trust USD 6.625% Jun 15 2035	0.8
HCA Inc. 5.875% Feb 15 2026	0.7
Republic of Philippines USD 7.750% Jan 14 2031	0.7
Republic of Panama USD 7.125% Jan 29 2026	0.7
CSC Holdings LLC 5.500% Apr 15 2027	0.7
1MDB Energy Ltd. USD 5.990% May 11 2022	0.7
Western Digital Corp. 4.750% Feb 15 2026	0.7
Government of Poland USD 3.250% Apr 6 2026	0.6
Republic of Chile USD 3.860% Jun 21 2047	0.6
Export Credit Bank of Turkey USD 5.375% Feb 8 2021	0.6
Government of Indonesia USD 5.250% Jan 17 2042	0.6
Cinemark USA Inc. 4.875% Jun 1 2023	0.6
Ball Corp. 4.875% Mar 15 2026	0.6
Top 25 Holdings	23.2

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.



FIXED-INCOME FUND

RBC STRATEGIC INCOME BOND 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 regular monthly income with a potential for modest capital appreciation by investing primarily in units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called the “underlying funds”), emphasizing mutual funds that invest in higher-yielding fixed-income securities.

To achieve its objective, the Fund selects underlying funds from the RBC Funds family or PH&N Funds family that primarily invest in investment-grade and high-yield corporate and emerging-market sovereign and corporate fixed-income securities for inclusion in the Fund.

The portfolio manager allocates and rebalances the Fund’s assets among underlying funds based on the underlying funds’ ability to help the Fund meet its investment objectives.

Results of Operations

The Fund’s net asset value was \$1.0 billion as of June 30, 2018.

Over the past six months, the Fund’s Series A units lost 1.3%. 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.

The Fund made monthly distributions of 3.20 cents per Series A unit in the first half of 2018.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. U.S. Treasury bonds underperformed other developed markets on central-bank monetary tightening attributable to higher relative economic growth and inflation. The U.S. Federal Reserve raised short-term interest rates twice during the period and continued to reduce the size of its balance sheet, both of which tended to push up yields. Short-term interest rates climbed relative to longer-term rates in most major markets, a sign that investors expected less accommodative central banks going forward. European bond markets were in focus, especially after May, as Italy’s new coalition government called for additional government spending and threatened to loosen links with the Eurozone. This development led to renewed concerns about the future of the single currency.

Returns were held back by exposure to the RBC Global High Yield Bond Fund, the RBC Global Corporate Bond Fund and the RBC High Yield Bond Fund. The BlueBay Global Convertible Bond Fund and the RBC Emerging Markets Foreign Exchange Fund had a positive impact on performance.

Recent Developments

The portfolio manager expects bond yields to rise marginally over the next six months, given tightening financial conditions, the potential for temporarily higher inflation and expectations that central banks will continue to gradually raise rates. The portfolio manager expects short-term yields to continue rising faster than those on longer-term bonds. Trade tensions could also limit economic growth and cap increases in yields.

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.

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	Total	
Series A												
June 30, 2018	10.32	0.22	(0.09)	(0.01)	(0.26)	(0.14)	(0.19)	—	—	—	(0.19)	9.99
Dec. 31, 2017	10.39	0.57	(0.18)	0.15	(0.26)	0.28	(0.39)	—	(0.06)	—	(0.45)	10.32
Dec. 31, 2016	10.29	0.64	(0.18)	0.34	(0.19)	0.61	(0.39)	—	(0.17)	—	(0.56)	10.39
Dec. 31, 2015	10.33	0.54	(0.18)	0.23	(0.23)	0.36	(0.37)	—	(0.16)	—	(0.53)	10.29
Dec. 31, 2014	10.03	0.50	(0.18)	0.17	0.14	0.63	(0.34)	—	(0.13)	—	(0.47)	10.33
Dec. 31, 2013 ³	10.00 [†]	0.26	(0.07)	0.02	0.05	0.26	(0.20)	—	(0.02)	—	(0.22)	10.03
Advisor Series												
June 30, 2018	10.32	0.22	(0.09)	(0.01)	(0.26)	(0.14)	(0.19)	—	—	—	(0.19)	9.99
Dec. 31, 2017	10.40	0.57	(0.19)	0.15	(0.26)	0.27	(0.39)	—	(0.06)	—	(0.45)	10.32
Dec. 31, 2016	10.30	0.52	(0.18)	0.27	(0.17)	0.44	(0.39)	—	(0.17)	—	(0.56)	10.40
Dec. 31, 2015	10.35	0.53	(0.19)	0.22	(0.23)	0.33	(0.37)	—	(0.16)	—	(0.53)	10.30
Dec. 31, 2014	10.04	0.47	(0.17)	0.16	0.14	0.60	(0.34)	—	(0.13)	—	(0.47)	10.35
Dec. 31, 2013 ³	10.00 [†]	0.26	(0.07)	0.02	0.04	0.25	(0.19)	—	(0.02)	—	(0.21)	10.04
Series D												
June 30, 2018	10.65	0.23	(0.05)	(0.01)	(0.27)	(0.10)	(0.20)	—	—	—	(0.20)	10.35
Dec. 31, 2017	10.66	0.60	(0.11)	0.15	(0.26)	0.38	(0.40)	—	(0.06)	—	(0.46)	10.65
Dec. 31, 2016	10.48	0.64	(0.11)	0.34	(0.20)	0.67	(0.39)	—	(0.18)	—	(0.57)	10.66
Dec. 31, 2015	10.45	0.54	(0.11)	0.23	(0.24)	0.42	(0.38)	—	(0.16)	—	(0.54)	10.48
Dec. 31, 2014	10.07	0.50	(0.11)	0.18	0.14	0.71	(0.34)	—	(0.13)	—	(0.47)	10.45
Dec. 31, 2013 ³	10.00 [†]	0.26	(0.05)	0.01	0.04	0.26	(0.18)	—	(0.02)	—	(0.20)	10.07
Series F												
June 30, 2018	10.73	0.23	(0.05)	(0.01)	(0.27)	(0.10)	(0.20)	—	—	—	(0.20)	10.43
Dec. 31, 2017	10.72	0.55	(0.10)	0.14	(0.29)	0.30	(0.40)	—	(0.07)	—	(0.47)	10.73
Dec. 31, 2016	10.52	0.45	(0.09)	0.24	(0.17)	0.43	(0.39)	—	(0.18)	—	(0.57)	10.72
Dec. 31, 2015	10.48	0.51	(0.09)	0.22	(0.22)	0.42	(0.38)	—	(0.17)	—	(0.55)	10.52
Dec. 31, 2014	10.08	0.55	(0.09)	0.19	0.16	0.81	(0.34)	—	(0.13)	—	(0.47)	10.48
Dec. 31, 2013 ³	10.00 [†]	0.26	(0.04)	0.02	0.04	0.28	(0.18)	—	(0.02)	—	(0.20)	10.08



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	Total	
Series O												
June 30, 2018	11.03	0.23	—	(0.01)	(0.28)	(0.06)	(0.21)	—	—	—	(0.21)	10.77
Dec. 31, 2017	10.91	0.44	—	0.11	(0.24)	0.31	(0.40)	—	(0.07)	—	(0.47)	11.03
Dec. 31, 2016	10.61	0.36	—	0.19	(0.85)	(0.30)	(0.39)	—	(0.18)	—	(0.57)	10.91
Dec. 31, 2015	10.49	0.56	—	0.24	(0.24)	0.56	(0.39)	—	(0.17)	—	(0.56)	10.61
Dec. 31, 2014	10.00	0.54	—	0.19	0.16	0.89	(0.34)	—	(0.13)	—	(0.47)	10.49
Dec. 31, 2013 ³	10.00 [†]	0.26	(0.01)	0.07	0.19	0.51	(0.30)	—	(0.02)	—	(0.32)	10.00

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 August 12, 2013.

[†] 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	9.99	81 898	8 196	1.80	1.80	16.59	—
Dec. 31, 2017	10.32	80 360	7 789	1.79	1.79	9.40	—
Dec. 31, 2016	10.39	42 786	4 117	1.78	1.78	32.55	—
Dec. 31, 2015	10.29	29 226	2 841	1.81	1.81	6.55	0.01
Dec. 31, 2014	10.33	16 050	1 554	1.82	1.84	13.50	—
Dec. 31, 2013 ⁴	10.03	6 169	615	1.84	1.88	n/a	—
Advisor Series							
June 30, 2018	9.99	65 459	6 550	1.83	1.83	16.59	—
Dec. 31, 2017	10.32	63 489	6 153	1.86	1.86	9.40	—
Dec. 31, 2016	10.40	34 715	3 338	1.83	1.83	32.55	—
Dec. 31, 2015	10.30	4 755	462	1.85	1.86	6.55	0.01
Dec. 31, 2014	10.35	1 699	164	1.72	1.74	13.50	—
Dec. 31, 2013 ⁴	10.04	185	18	1.84	1.88	n/a	—
Series D							
June 30, 2018	10.35	29 358	2 836	1.12	1.12	16.59	—
Dec. 31, 2017	10.65	26 688	2 505	1.12	1.12	9.40	—
Dec. 31, 2016	10.66	16 972	1 593	1.10	1.10	32.55	—
Dec. 31, 2015	10.48	10 642	1 016	1.12	1.13	6.55	0.01
Dec. 31, 2014	10.45	5 556	532	1.12	1.14	13.50	—
Dec. 31, 2013 ⁴	10.07	1 524	151	1.16	1.20	n/a	—
Series F							
June 30, 2018	10.43	387 606	37 163	0.98	0.98	16.59	—
Dec. 31, 2017	10.73	366 326	34 156	0.98	0.98	9.40	—
Dec. 31, 2016	10.72	112 968	10 542	0.95	0.95	32.55	—
Dec. 31, 2015	10.52	2 902	276	0.96	0.97	6.55	0.01
Dec. 31, 2014	10.48	145	14	0.93	0.95	13.50	—
Dec. 31, 2013 ⁴	10.08	98	10	0.99	1.03	n/a	—



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 O							
June 30, 2018	10.77	445 437	41 357	0.11	0.11	16.59	—
Dec. 31, 2017	11.03	312 483	28 336	0.12	0.12	9.40	—
Dec. 31, 2016	10.91	1	—	0.10	0.10	32.55	—
Dec. 31, 2015	10.61	1	—	0.12	0.12	6.55	0.01
Dec. 31, 2014	10.49	1	—	0.11	0.13	13.50	—
Dec. 31, 2013 ⁴	10.00	2	—	0.11	0.15	n/a	—

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 From August 12, 2013.

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	1.50%	50%	50%
Advisor Series	1.50%	50%	50%
Series D	0.90%	17%	83%
Series F	0.75%	—	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.

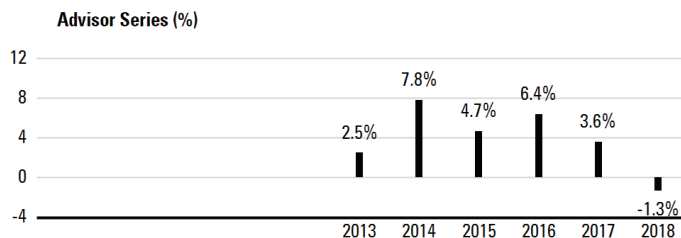
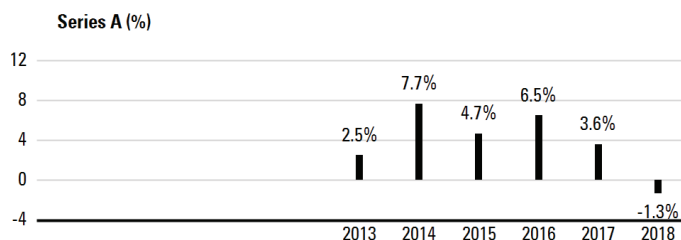


PAST PERFORMANCE

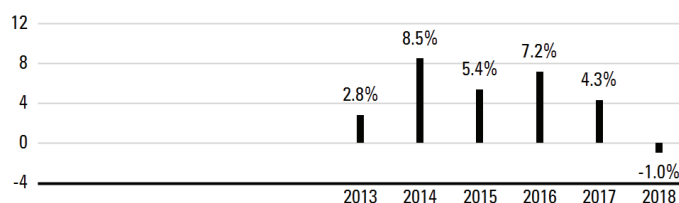
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

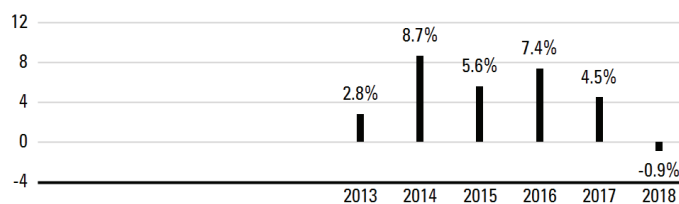
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



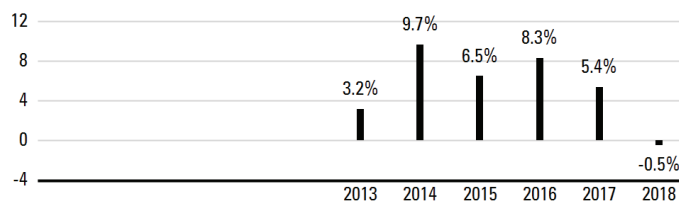
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since August 12, 2013.

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
Income Funds	99.0
Cash/Other	1.0

Top 25 Holdings*

	% of Net Asset Value
RBC Global Corporate Bond Fund	22.1
RBC Global High Yield Bond Fund	20.0
RBC Emerging Markets Bond Fund	16.9
RBC Emerging Markets Foreign Exchange Fund	13.8
BlueBay Emerging Markets Corporate Bond Fund	11.0
BlueBay Global Convertible Bond Fund (Canada)	9.1
RBC High Yield Bond Fund	6.1
Cash & Cash Equivalents	1.0
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



FIXED-INCOME FUND

**RBC \$U.S. STRATEGIC
INCOME BOND 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 (in USD)

Investment Objective and Strategies

The Fund seeks to provide regular monthly income with a potential for modest capital appreciation by investing primarily in units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called the “underlying funds”), emphasizing mutual funds that invest in higher-yielding fixed-income securities.

To achieve its objective, the Fund selects underlying funds from the RBC Funds family or the PH&N Funds family that primarily invest in investment-grade and high-yield corporate and emerging-market sovereign and corporate fixed-income securities for inclusion in the Fund.

The portfolio manager allocates and rebalances the Fund’s assets among underlying funds based on the underlying funds’ ability to help the Fund meet its investment objectives.

Results of Operations

The Fund was launched on January 29, 2018, and its net asset value was \$19 million as of June 30, 2018. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

The portfolio manager expects bond yields to rise marginally over the next six months, given tightening financial conditions, the potential for temporarily higher inflation and expectations that central banks will continue to gradually raise rates. The portfolio manager expects short-term yields to continue rising faster than those on longer-term bonds. Trade tensions could also limit economic growth and cap increases in yields.

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.



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 (in USD)

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, 2018³	10.00[†]	0.26	(0.07)	—	(0.54)	(0.35)	(0.17)	—	—	—	(0.17)	9.51
Advisor Series												
June 30, 2018³	10.00[†]	0.28	(0.07)	—	(0.54)	(0.33)	(0.17)	—	—	—	(0.17)	9.51
Series D												
June 30, 2018³	10.00[†]	0.45	(0.05)	(0.01)	(0.64)	(0.25)	(0.17)	—	—	—	(0.17)	9.53
Series F												
June 30, 2018³	10.00[†]	0.37	(0.04)	—	(0.60)	(0.27)	(0.17)	—	—	—	(0.17)	9.54
Series O												
June 30, 2018³	10.00[†]	0.30	—	—	(0.54)	(0.24)	(0.17)	—	—	—	(0.17)	9.58

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 January 17, 2018.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (in USD) (cont.)

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, 2018⁴	9.51	106	11	1.81	1.82	6.28	—
Advisor Series							
June 30, 2018⁴	9.51	1 496	157	1.85	1.86	6.28	—
Series D							
June 30, 2018⁴	9.53	90	9	1.27	1.28	6.28	—
Series F							
June 30, 2018⁴	9.54	380	40	0.98	0.99	6.28	—
Series O							
June 30, 2018⁴	9.58	16 694	1 743	0.11	0.12	6.28	—

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 From January 17, 2018.

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	1.50%	50%	50%
Advisor Series	1.50%	50%	50%
Series D	1.00%	25%	75%
Series F	0.75%	—	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 (in USD)

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Advisor Series, Series D, Series F and Series O units of this Fund were launched on January 29, 2018.

SUMMARY OF INVESTMENT PORTFOLIO (in USD)

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
Income Funds	98.8
Cash/Other	1.2

Top 25 Holdings*

	% of Net Asset Value
RBC \$U.S. Investment Grade Corporate Bond Fund	27.0
RBC Emerging Markets Bond Fund	24.9
RBC \$U.S. High Yield Bond Fund	15.9
BlueBay Emerging Markets Corporate Bond Fund	10.9
RBC Emerging Markets Foreign Exchange Fund	10.0
BlueBay \$U.S. Global Convertible Bond Fund (Canada)	10.0
Cash & Cash Equivalents	1.3
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



FIXED-INCOME FUND

**RBC EMERGING MARKETS
FOREIGN EXCHANGE 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 total returns associated with those of emerging-market currencies and short-term interest rates.

To achieve the objective, the Fund uses derivatives such as foreign-exchange forward contracts that give investors exposure to currencies in emerging market countries including China, Russia, Singapore, Mexico, India, Brazil, Poland, Thailand, Turkey, Indonesia, Malaysia, South Africa, the Philippines, Colombia and Peru. The Fund invests most of its assets in Canadian money-market instruments.

Results of Operations

The Fund's net asset value was \$786 million as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 0.3%. 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.

Emerging-market currencies declined versus the U.S. dollar during the period, as U.S. bond yields rose to levels sufficient to attract investments away from emerging markets. The increase in yields came as the U.S. Federal Reserve (the "Fed"), responding to faster economic growth, raised short-term interest rates and curtailed bond purchases aimed at holding down longer-term rates. The yield on the 10-year U.S. Treasury, for example, rose above 3.0% during the period from about 2.4% at the beginning of the year. Other developments that prompted investors to pull money from emerging markets included the imposition of higher U.S. trade tariffs on China and even some U.S. allies, as well as political uncertainty stemming from a new Italian government that raised questions about the future of the EU.

The Canadian dollar weakened against both the U.S. dollar and emerging-market currencies during the period. The general appreciation of currencies versus the Canadian dollar aided unitholders, whose returns are measured in Canadian dollars.

Recent Developments

Investors are likely in coming quarters to be focused on the themes that have been driving currency markets: protectionism, slowing Chinese economic growth and the pace at which the Fed tightens monetary policy. In addition, political uncertainty arising from elections in Mexico and Brazil supports a shorter-term approach with attention paid to specific markets. The portfolio manager continues to favour higher-yielding currencies of countries with attractive economic growth rates and reform-minded governments and whose governments are most able to fund their budgets. The Fund is underweight currencies of Asian countries whose economic fortunes are tied to global trade and any negative impact from higher oil prices.

By contrast, the portfolio manager has increased exposure to Latin America, where valuations are more attractive after large declines in asset prices.

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.

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	Total	
Series A												
June 30, 2018	9.35	0.08	(0.08)	0.15	(0.24)	(0.09)	—	—	—	—	—	9.33
Dec. 31, 2017	9.43	0.50	(0.16)	0.08	(0.46)	(0.04)	(0.33)	—	—	—	(0.33)	9.35
Dec. 31, 2016	9.73	0.58	(0.17)	(0.04)	(1.14)	(0.77)	(0.26)	—	—	—	(0.26)	9.43
Dec. 31, 2015 ³	10.00 [†]	0.20	(0.08)	—	0.14	0.26	(0.35)	—	—	—	(0.35)	9.73
Advisor Series												
June 30, 2018	9.36	0.08	(0.08)	0.15	(0.08)	0.07	—	—	—	—	—	9.33
Dec. 31, 2017	9.43	0.50	(0.16)	0.08	(0.39)	0.03	(0.33)	—	—	—	(0.33)	9.36
Dec. 31, 2016	9.73	0.48	(0.16)	(0.03)	(0.32)	(0.03)	(0.27)	—	—	—	(0.27)	9.43
Dec. 31, 2015 ³	10.00 [†]	0.20	(0.08)	—	0.14	0.26	(0.35)	—	—	—	(0.35)	9.73
Series D												
June 30, 2018	9.39	0.07	(0.05)	0.14	(0.06)	0.10	(0.02)	—	—	—	(0.02)	9.37
Dec. 31, 2017	9.44	0.53	(0.11)	0.08	(0.47)	0.03	(0.35)	—	—	—	(0.35)	9.39
Dec. 31, 2016	9.73	0.45	(0.11)	(0.03)	(0.28)	0.03	(0.31)	—	—	—	(0.31)	9.44
Dec. 31, 2015 ³	10.00 [†]	0.21	(0.05)	—	0.14	0.30	(0.37)	—	—	—	(0.37)	9.73
Series F												
June 30, 2018	9.42	0.08	(0.04)	0.15	(0.15)	0.04	(0.03)	—	—	—	(0.03)	9.40
Dec. 31, 2017	9.45	0.47	(0.08)	0.07	(0.57)	(0.11)	(0.37)	—	—	—	(0.37)	9.42
Dec. 31, 2016	9.74	0.48	(0.08)	(0.03)	(0.37)	—	(0.33)	—	—	—	(0.33)	9.45
Dec. 31, 2015 ³	10.00 [†]	0.20	(0.04)	—	0.14	0.30	(0.38)	—	—	—	(0.38)	9.74
Series O												
June 30, 2018	10.22	0.08	—	0.16	(0.11)	0.13	(0.08)	—	—	—	(0.08)	10.20
Dec. 31, 2017	10.22	0.51	—	0.08	0.09	0.68	(0.45)	—	—	—	(0.45)	10.22
Dec. 31, 2016	10.51	0.48	—	(0.03)	(0.17)	0.28	(0.42)	—	—	—	(0.42)	10.22
Dec. 31, 2015	10.04	0.56	—	—	0.38	0.94	(0.49)	—	—	—	(0.49)	10.51
Dec. 31, 2014 ⁴	9.95 [†]	0.12	—	0.16	(1.05)	(0.77)	(0.05)	—	—	—	(0.05)	10.04

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 July 27, 2015.

⁴ From October 29, 2012. Although Series O units of the Fund were created in October 2012, units were not offered for sale under a simplified prospectus until November 17, 2014.

[†] Initial offering net asset value per unit



FINANCIAL HIGHLIGHTS (cont.)

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	9.33	754	81	1.70	1.70	n/a	—
Dec. 31, 2017	9.35	706	75	1.68	1.68	n/a	—
Dec. 31, 2016	9.43	280	30	1.74	1.74	n/a	—
Dec. 31, 2015 ⁴	9.73	2 315	238	1.75	1.75	n/a	—
Advisor Series							
June 30, 2018	9.33	126	13	1.67	1.67	n/a	—
Dec. 31, 2017	9.36	208	22	1.64	1.64	n/a	—
Dec. 31, 2016	9.43	81	9	1.68	1.68	n/a	—
Dec. 31, 2015 ⁴	9.73	168	17	1.75	1.75	n/a	—
Series D							
June 30, 2018	9.37	3 823	408	1.17	1.17	n/a	—
Dec. 31, 2017	9.39	443	47	1.19	1.19	n/a	—
Dec. 31, 2016	9.44	225	24	1.19	1.19	n/a	—
Dec. 31, 2015 ⁴	9.73	111	11	1.19	1.19	n/a	—
Series F							
June 30, 2018	9.40	15 533	1 653	0.89	0.89	n/a	—
Dec. 31, 2017	9.42	17 731	1 883	0.85	0.85	n/a	—
Dec. 31, 2016	9.45	2 602	275	0.87	0.87	n/a	—
Dec. 31, 2015 ⁴	9.74	2 794	287	0.91	0.91	n/a	—
Series O							
June 30, 2018	10.20	765 407	75 051	0.02	0.02	n/a	—
Dec. 31, 2017	10.22	746 387	73 018	0.02	0.02	n/a	—
Dec. 31, 2016	10.22	526 507	51 525	0.02	0.02	n/a	—
Dec. 31, 2015	10.51	251 912	23 964	0.02	0.02	n/a	—
Dec. 31, 2014 ⁵	10.04	169 502	16 884	0.02	0.03	n/a	n/a

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 From July 27, 2015.

⁵ From October 29, 2012. Although Series O units of the Fund were created in October 2012, units were not offered for sale under a simplified prospectus until November 17, 2014.

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	1.50%	50%	50%
Advisor Series	1.50%	50%	50%
Series D	1.00%	25%	75%
Series F	0.75%	—	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.

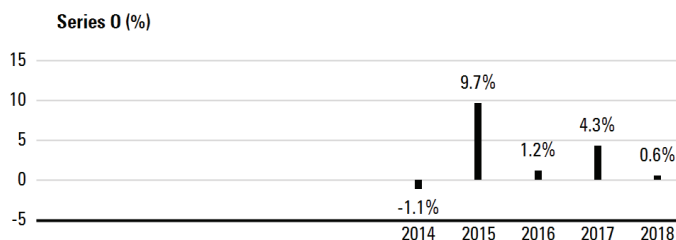


PAST PERFORMANCE

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 A, Advisor Series, Series D and Series F units have been available for sale to unitholders since July 27, 2015, and Series O units since November 17, 2014.

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
Commercial Paper	60.4
Bankers Acceptances and Bank Obligations	37.8
Cash/Other	1.8

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	
Mexican peso	10.3
Chinese renminbi	10.0
South Korean won	9.6
Indian rupee	8.8
Singapore dollar	7.5
Russian ruble	6.7
Turkish new lira	5.1
Polish zloty	4.9
Thailand baht	4.9
Indonesian rupiah	4.6
Malaysian ringgit	4.5
Brazilian real	4.1
New Taiwan dollar	3.7
Czech koruna	3.4
Peruvian nuevo sol	1.9
South African rand	1.6
Philippine peso	1.6
Chilean peso	1.4
Argentinian peso	1.3
Hungarian forint	1.2
Colombian peso	1.1
Romanian leu	0.9
Israeli new shekel	0.5
United States dollar	0.3
Canadian dollar	0.1
Total	100.0

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.



FIXED-INCOME FUND

RBC EMERGING MARKETS BOND 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 total returns comprised of interest income and capital growth by investing primarily in government debt securities of emerging market countries. The Fund may also invest in emerging market corporate bonds and government debt securities of developed countries.

To achieve the Fund's objective, the portfolio manager invests mainly in U.S. dollar-denominated bonds issued by the governments of Brazil, Russia, Mexico, Turkey, Philippines, China, Indonesia, Malaysia, Venezuela, Colombia, South Africa, Poland, Panama, Lebanon and Peru. The Fund may also invest in bonds of these countries denominated in another G7 currency or in the local currencies of these countries.

Results of Operations

The Fund's net asset value was \$865 million as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 0.7%. 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.

Bonds issued in emerging markets declined during the first half of 2018 after rising U.S. interest rates pushed down bond prices over the period and a worsening outlook for global growth driven by the threat of trade wars threatened export-dependent economies. The Fund outperformed as a conservative approach enabled it to avoid bonds of some higher-risk countries, particularly long-maturity bonds of those countries.

Emerging-market bonds, along with other assets perceived to carry higher risks, rose in January. However, the U.S. Federal Reserve's resolve in raising interest rates led Treasury yields higher and precipitated a decline in riskier assets. Growth-supportive tax cuts accompanied by expectations of higher U.S. budget deficits pushed yields higher in longer-dated U.S. Treasuries. Higher oil prices prompted worries about faster inflation. While yields on 10-year U.S. Treasuries appeared to have topped out at just over 3.0% in May, arresting the fall in Treasury prices, emerging-market bond yields kept rising in the face of harsh U.S. trade rhetoric aimed at U.S. allies and China. China's economy appeared to slow as the period came to a close, triggering fears about the knock-on effect on other emerging markets that have traditionally been major suppliers to the Chinese economy.

The Fund's relative returns benefited from the portfolio's lower average term to maturity, helping to withstand the broad decline in interest rates. In addition, the Fund had significantly higher weightings in better-quality bonds rather than being concentrated in lower-quality bonds from Lebanon, Argentina, Ecuador and Zambia, all of which performed poorly.

Recent Developments

While higher interest rates are making it more difficult for emerging markets to service U.S. dollar debts, it is worth highlighting that many countries are less vulnerable to U.S.-dollar strength than they were the last time interest rates spiked, in 2013. Moreover, oil prices are more than triple what they were the last time that premiums on emerging-market bonds were as high as they are now. Oil prices near US\$70 a barrel have restored U.S.-dollar income flows to energy-producing countries and boosted growth in their economies.

The portfolio manager expects net issuance of emerging-market government bonds to be negative for the rest of 2018, meaning that reinvested bond redemptions and coupons will drive demand for bonds and could drive prices higher.

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.

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	Total	
Series A												
June 30, 2018	11.25	0.30	(0.10)	(0.02)	(0.27)	(0.09)	(0.21)	—	—	—	(0.21)	10.96
Dec. 31, 2017	11.71	0.63	(0.21)	0.20	(0.55)	0.07	(0.41)	—	(0.15)	—	(0.56)	11.25
Dec. 31, 2016	11.88	0.66	(0.21)	0.47	(0.44)	0.48	(0.43)	—	(0.27)	—	(0.70)	11.71
Dec. 31, 2015	10.86	0.68	(0.21)	0.61	0.72	1.80	(0.44)	—	(0.42)	—	(0.86)	11.88
Dec. 31, 2014	9.99	0.58	(0.19)	0.37	0.71	1.47	(0.37)	—	(0.21)	—	(0.58)	10.86
Dec. 31, 2013	10.30	0.56	(0.18)	0.08	(0.40)	0.06	(0.38)	—	(0.04)	—	(0.42)	9.96
Advisor Series												
June 30, 2018	11.23	0.30	(0.10)	(0.02)	(0.27)	(0.09)	(0.21)	—	—	—	(0.21)	10.95
Dec. 31, 2017	11.69	0.63	(0.21)	0.20	(0.50)	0.12	(0.40)	—	(0.15)	—	(0.55)	11.23
Dec. 31, 2016	11.86	0.66	(0.21)	0.47	(0.40)	0.52	(0.43)	—	(0.27)	—	(0.70)	11.69
Dec. 31, 2015	10.85	0.68	(0.21)	0.61	0.72	1.80	(0.44)	—	(0.42)	—	(0.86)	11.86
Dec. 31, 2014	9.98	0.58	(0.19)	0.37	0.71	1.47	(0.38)	—	(0.21)	—	(0.59)	10.85
Dec. 31, 2013	10.28	0.56	(0.18)	0.08	(0.40)	0.06	(0.37)	—	(0.04)	—	(0.41)	9.95
Series D												
June 30, 2018	11.38	0.30	(0.06)	(0.02)	(0.27)	(0.05)	(0.25)	—	—	—	(0.25)	11.09
Dec. 31, 2017	11.84	0.64	(0.13)	0.20	(0.59)	0.12	(0.49)	—	(0.15)	—	(0.64)	11.38
Dec. 31, 2016	12.01	0.67	(0.13)	0.47	(0.48)	0.53	(0.51)	—	(0.27)	—	(0.78)	11.84
Dec. 31, 2015	10.99	0.68	(0.13)	0.62	0.73	1.90	(0.53)	—	(0.42)	—	(0.95)	12.01
Dec. 31, 2014	10.09	0.58	(0.12)	0.38	0.71	1.55	(0.43)	—	(0.21)	—	(0.64)	10.99
Dec. 31, 2013	10.40	0.56	(0.11)	0.08	(0.41)	0.12	(0.46)	—	(0.04)	—	(0.50)	10.05
Series F												
June 30, 2018	11.22	0.29	(0.05)	(0.02)	(0.26)	(0.04)	(0.26)	—	—	—	(0.26)	10.93
Dec. 31, 2017	11.67	0.62	(0.11)	0.20	(0.54)	0.17	(0.50)	—	(0.15)	—	(0.65)	11.22
Dec. 31, 2016	11.85	0.65	(0.11)	0.46	(0.39)	0.61	(0.53)	—	(0.27)	—	(0.80)	11.67
Dec. 31, 2015	10.83	0.68	(0.11)	0.61	0.72	1.90	(0.54)	—	(0.42)	—	(0.96)	11.85
Dec. 31, 2014	9.95	0.57	(0.10)	0.37	0.70	1.54	(0.44)	—	(0.21)	—	(0.65)	10.83
Dec. 31, 2013	10.26	0.56	(0.10)	0.08	(0.40)	0.14	(0.47)	—	(0.04)	—	(0.51)	9.92
Series O												
June 30, 2018	11.22	0.29	(0.01)	(0.02)	(0.24)	0.02	(0.31)	—	—	—	(0.31)	10.94
Dec. 31, 2017	11.68	0.62	(0.01)	0.20	(0.55)	0.26	(0.60)	—	(0.15)	—	(0.75)	11.22
Dec. 31, 2016	11.86	0.66	(0.01)	0.47	(0.37)	0.75	(0.63)	—	(0.27)	—	(0.90)	11.68
Dec. 31, 2015	10.86	0.68	(0.01)	0.61	0.72	2.00	(0.65)	—	(0.42)	—	(1.07)	11.86
Dec. 31, 2014	10.00	0.58	(0.01)	0.37	0.71	1.65	(0.57)	—	(0.21)	—	(0.78)	10.86
Dec. 31, 2013	10.30	0.56	(0.01)	0.08	(0.40)	0.23	(0.54)	—	(0.04)	—	(0.58)	9.97

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.



FINANCIAL HIGHLIGHTS (cont.)

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	10.96	38 122	3 477	1.78	1.78	25.58	—
Dec. 31, 2017	11.25	44 235	3 931	1.78	1.78	44.95	—
Dec. 31, 2016	11.71	47 698	4 074	1.77	1.77	43.71	—
Dec. 31, 2015	11.88	46 273	3 895	1.77	1.77	45.98	—
Dec. 31, 2014	10.86	33 408	3 075	1.78	1.78	65.47	—
Dec. 31, 2013	9.99	29 689	2 971	1.78	1.78	81.88	—
Advisor Series							
June 30, 2018	10.95	20 636	1 885	1.79	1.79	25.58	—
Dec. 31, 2017	11.23	24 656	2 195	1.80	1.80	44.95	—
Dec. 31, 2016	11.69	30 789	2 634	1.79	1.79	43.71	—
Dec. 31, 2015	11.86	35 427	2 987	1.78	1.78	45.98	—
Dec. 31, 2014	10.85	34 308	3 162	1.78	1.78	65.47	—
Dec. 31, 2013	9.98	33 244	3 329	1.79	1.79	81.88	—
Series D							
June 30, 2018	11.09	16 279	1 468	1.12	1.12	25.58	—
Dec. 31, 2017	11.38	17 858	1 569	1.12	1.12	44.95	—
Dec. 31, 2016	11.84	18 247	1 541	1.11	1.11	43.71	—
Dec. 31, 2015	12.01	15 633	1 302	1.11	1.11	45.98	—
Dec. 31, 2014	10.99	7 945	723	1.11	1.11	65.47	—
Dec. 31, 2013	10.09	4 646	461	1.11	1.11	81.88	—
Series F							
June 30, 2018	10.93	142 272	13 013	0.96	0.96	25.58	—
Dec. 31, 2017	11.22	148 733	13 255	0.96	0.96	44.95	—
Dec. 31, 2016	11.67	122 035	10 457	0.94	0.94	43.71	—
Dec. 31, 2015	11.85	95 492	8 061	0.94	0.94	45.98	—
Dec. 31, 2014	10.83	58 925	5 439	0.95	0.95	65.47	—
Dec. 31, 2013	9.95	37 332	3 752	0.95	0.95	81.88	—
Series O							
June 30, 2018	10.94	648 177	59 262	0.12	0.12	25.58	—
Dec. 31, 2017	11.22	590 639	52 610	0.12	0.12	44.95	—
Dec. 31, 2016	11.68	475 023	40 674	0.11	0.11	43.71	—
Dec. 31, 2015	11.86	398 918	33 642	0.11	0.11	45.98	—
Dec. 31, 2014	10.86	300 631	27 695	0.11	0.11	65.47	—
Dec. 31, 2013	10.00	257 035	25 704	0.11	0.11	81.88	—

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.



FINANCIAL HIGHLIGHTS (cont.)

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	1.50%	50%	50%
Advisor Series	1.50%	50%	50%
Series D	0.90%	17%	83%
Series F	0.75%	—	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.

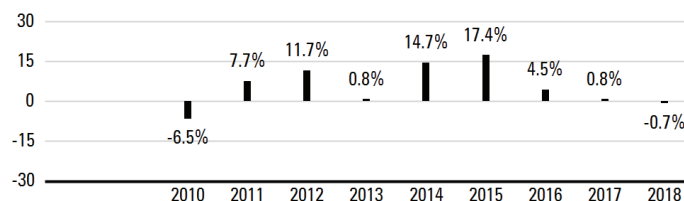
PAST PERFORMANCE

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.

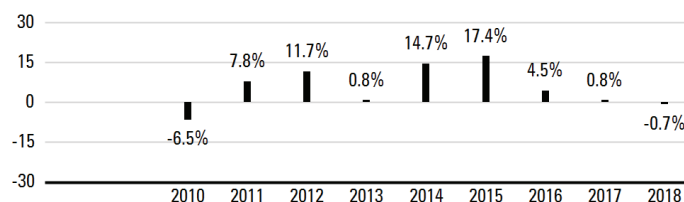
Year-by-Year Returns (%)

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.

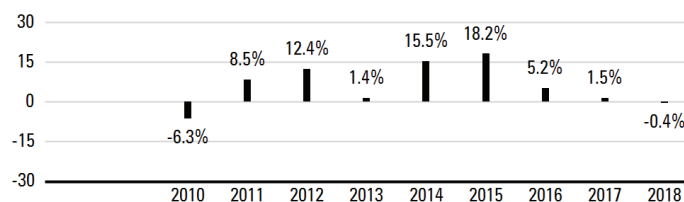
Series A (%)



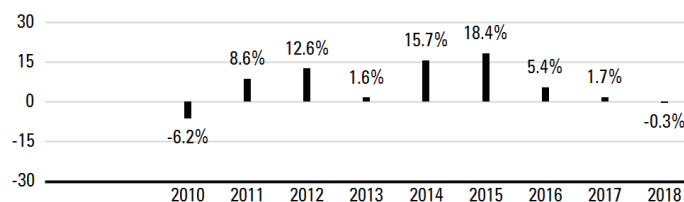
Advisor Series (%)



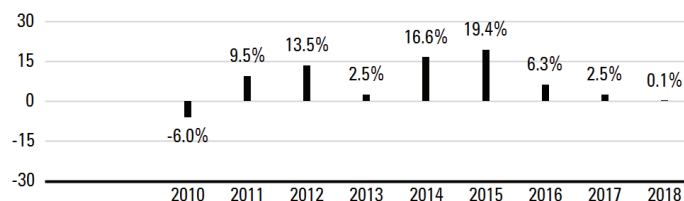
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since August 23, 2010.

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
Indonesia	5.4
Mexico	5.0
Peru	3.9
United States	3.8
Russia	3.6
South Africa	3.5
Colombia	3.0
Dominican Republic	3.0
Brazil	2.8
Turkey	2.8
Argentina	2.5
China	2.5
Panama	2.4
Underlying Funds	2.2
Uruguay	2.2
Kazakhstan	2.1
Serbia	2.1
Romania	2.0
Malaysia	1.8
Croatia	1.6
Qatar	1.6
Hungary	1.5
Vietnam	1.4
Philippines	1.3
Chile	1.1
Venezuela	1.1
Other Countries	32.3
Cash/Other	1.5

Top 25 Holdings

	% of Net Asset Value
United States Treasury 2.250% Feb 15 2027	3.8
Peruvian Government USD 8.750% Nov 21 2033	3.0
Republic of Serbia USD 7.250% Sep 28 2021	1.9
Ukraine Government USD 7.750% Sep 1 2022	1.6
Romanian Government USD 6.750% Feb 7 2022	1.6
Republic of Colombia USD 6.125% Jan 18 2041	1.6
Dominican Republic USD 7.450% Apr 30 2044	1.6
Republic of Vietnam USD 4.800% Nov 19 2024	1.4
Pemex Project Funding Master Trust USD 6.625% Jun 15 2035	1.4
Republic of Panama USD 7.125% Jan 29 2026	1.3
Republic of Philippines USD 7.750% Jan 14 2031	1.3
1MDB Energy Ltd. USD 5.990% May 11 2022	1.3
Export Credit Bank of Turkey USD 5.375% Feb 8 2021	1.3
Government of Poland USD 3.250% Apr 6 2026	1.2
Republic of Chile USD 3.860% Jun 21 2047	1.2
Government of Indonesia USD 5.250% Jan 17 2042	1.2
VanEck Vectors J.P. Morgan EM Local Currency Bond Fund	1.1
Hungary Government USD 5.375% Mar 25 2024	1.1
Republic of Colombia USD 8.125% May 21 2024	1.1
Russian Foreign Bond - Eurobond USD 4.750% May 27 2026	1.1
Republic of Uruguay USD 7.625% Mar 21 2036	1.1
Republic of Panama USD 6.700% Jan 26 2036	1.1
Republic of Turkey USD 4.875% Apr 16 2043	1.1
Russian Foreign Bond - Eurobond USD 4.875% Sep 16 2023	1.1
iShares J.P. Morgan USD Emerging Markets Bond Fund	1.0
Top 25 Holdings	36.5

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.



FIXED-INCOME FUND

RBC EMERGING MARKETS BOND FUND (CAD HEDGED)

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 total returns comprised of interest income and capital growth by investing primarily in government debt securities of emerging-market countries, while minimizing the exposure to currency fluctuations between foreign currencies and the Canadian dollar.

The Fund invests up to 100% of its net assets in units of the RBC Emerging Markets Bond Fund (the “underlying fund”). The underlying fund invests mainly in U.S. dollar-denominated bonds issued by the governments of Brazil, Russia, Mexico, Turkey, Philippines, China, Indonesia, Malaysia, Venezuela, Colombia, South Africa, Poland, Panama, Lebanon and Peru. The underlying fund may also invest in bonds of these countries denominated in another G7 currency or in the local currencies of these countries. The Fund uses currency hedges to minimize the impact of fluctuations in foreign currencies versus the Canadian dollar.

Results of Operations

The Fund’s net asset value was \$9 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units lost 5.4%. 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.

Bonds issued in emerging markets declined during the first half of 2018 after rising U.S. interest rates pushed down bond prices over the period and a worsening outlook for global growth driven by the threat of trade wars threatened export-dependent economies. The Fund outperformed as a conservative approach enabled it to avoid bonds of some higher-risk countries, particularly long-maturity bonds of those countries.

Emerging-market bonds, along with other assets perceived to carry higher risks, rose in January. However, the U.S. Federal Reserve’s resolve in raising interest rates led Treasury yields higher and precipitated a decline in riskier assets. Growth-supportive tax cuts accompanied by expectations of higher U.S. budget deficits pushed yields higher in longer-dated U.S. Treasuries. Higher oil prices prompted worries about faster inflation. While yields on 10-year U.S. Treasuries appeared to have topped out at just over 3.0% in May, arresting the fall in Treasury prices, emerging-market bond yields kept rising in the face of harsh U.S. trade rhetoric aimed at U.S. allies and China. China’s economy appeared to slow as the period came to a close, triggering fears about the knock-on effect on other emerging markets that have traditionally been major suppliers to the Chinese economy.

The Fund’s relative returns benefited from the portfolio’s lower average term to maturity, helping to withstand the broad decline in interest rates. In addition, the Fund had significantly higher weightings in better-quality bonds rather than being concentrated in lower-quality bonds from Lebanon, Argentina, Ecuador and Zambia, all of which performed poorly.

Unitholders did not benefit from the Fund’s currency-hedging policy in the first half of 2018, given the rise in the U.S. dollar versus the Canadian dollar.

Recent Developments

While higher interest rates are making it more difficult for emerging markets to service U.S. dollar debts, it is worth highlighting that many countries are less vulnerable to U.S.-dollar strength than they were the last time interest rates spiked, in 2013. Moreover, oil prices are more than triple what they were the last time that premiums on emerging-market bonds were as high as they are now. Oil prices near US\$70 a barrel have restored U.S.-dollar income flows to energy-producing countries and boosted growth in their economies.

The portfolio manager expects net issuance of emerging-market government bonds to be negative for the rest of 2018, meaning that reinvested bond redemptions and coupons will drive demand for bonds and could drive prices higher.

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.

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	Total	
Series A												
June 30, 2018	9.41	0.27	(0.08)	(0.32)	(0.37)	(0.50)	(0.18)	—	—	—	(0.18)	8.73
Dec. 31, 2017	9.31	0.40	(0.18)	0.18	(0.05)	0.35	(0.30)	—	(0.23)	—	(0.53)	9.41
Dec. 31, 2016 ³	10.00 [†]	0.29	(0.09)	0.33	(1.05)	(0.52)	(0.12)	—	(0.18)	—	(0.30)	9.31
Advisor Series												
June 30, 2018	9.40	0.28	(0.08)	(0.33)	(0.38)	(0.51)	(0.17)	—	—	—	(0.17)	8.72
Dec. 31, 2017	9.32	0.49	(0.17)	0.21	(0.13)	0.40	(0.31)	—	(0.25)	—	(0.56)	9.40
Dec. 31, 2016 ³	10.00 [†]	0.34	(0.09)	0.39	(1.03)	(0.39)	(0.12)	—	(0.18)	—	(0.30)	9.32
Series D												
June 30, 2018	9.39	0.28	(0.05)	(0.33)	(0.40)	(0.50)	(0.21)	—	—	—	(0.21)	8.71
Dec. 31, 2017	9.31	0.46	(0.10)	0.20	(0.13)	0.43	(0.38)	—	(0.25)	—	(0.63)	9.39
Dec. 31, 2016 ³	10.00 [†]	0.34	(0.07)	0.39	(1.03)	(0.37)	(0.14)	—	(0.18)	—	(0.32)	9.31
Series F												
June 30, 2018	9.39	0.27	(0.04)	(0.32)	(0.39)	(0.48)	(0.21)	—	—	—	(0.21)	8.72
Dec. 31, 2017	9.31	0.52	(0.09)	0.23	(0.19)	0.47	(0.38)	—	(0.25)	—	(0.63)	9.39
Dec. 31, 2016 ³	10.00 [†]	0.22	(0.06)	0.25	(0.39)	0.02	(0.14)	—	(0.18)	—	(0.32)	9.31
Series O												
June 30, 2018	9.44	0.28	—	(0.33)	(0.37)	(0.42)	(0.25)	—	—	—	(0.25)	8.76
Dec. 31, 2017	9.31	0.70	(0.02)	0.31	(0.24)	0.75	(0.47)	—	(0.19)	—	(0.66)	9.44
Dec. 31, 2016 ³	10.00 [†]	0.31	(0.05)	0.36	(0.87)	(0.25)	(0.16)	—	(0.18)	—	(0.34)	9.31

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 June 27, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	8.73	1 296	148	1.83	1.84	53.64	—
Dec. 31, 2017	9.41	574	61	1.89	1.97	87.18	—
Dec. 31, 2016 ⁴	9.31	19	2	1.86	2.31	19.87	—
Advisor Series							
June 30, 2018	8.72	38	4	1.88	1.89	53.64	—
Dec. 31, 2017	9.40	26	3	1.76	1.84	87.18	—
Dec. 31, 2016 ⁴	9.32	1	—	1.71	2.16	19.87	—
Series D							
June 30, 2018	8.71	173	20	1.15	1.16	53.64	—
Dec. 31, 2017	9.39	95	10	1.13	1.21	87.18	—
Dec. 31, 2016 ⁴	9.31	1	—	1.18	1.63	19.87	—
Series F							
June 30, 2018	8.72	6 694	768	1.03	1.04	53.64	—
Dec. 31, 2017	9.39	3 722	396	1.01	1.09	87.18	—
Dec. 31, 2016 ⁴	9.31	179	19	1.01	1.46	19.87	—
Series O							
June 30, 2018	8.76	1 057	121	0.17	0.18	53.64	—
Dec. 31, 2017	9.44	630	67	0.18	0.26	87.18	—
Dec. 31, 2016 ⁴	9.31	248	27	0.17	0.62	19.87	—

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 From June 27, 2016.

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	1.50%	50%	50%
Advisor Series	1.50%	50%	50%
Series D	0.90%	17%	83%
Series F	0.75%	—	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.

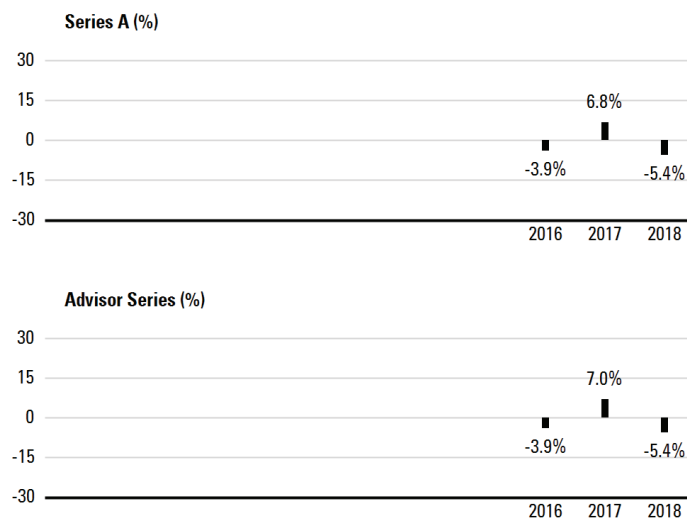


PAST PERFORMANCE

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 O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since September 26, 2016.

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
Income Funds	100.6
Cash/Other	(0.6)

Top 25 Holdings*

	% of Net Asset Value
United States Treasury 2.250% Feb 15 2027	3.8
Peruvian Government USD 8.750% Nov 21 2033	3.0
Republic of Serbia USD 7.250% Sep 28 2021	1.9
Ukraine Government USD 7.750% Sep 1 2022	1.6
Romanian Government USD 6.750% Feb 7 2022	1.6
Republic of Colombia USD 6.125% Jan 18 2041	1.6
Dominican Republic USD 7.450% Apr 30 2044	1.6
Republic of Vietnam USD 4.800% Nov 19 2024	1.4
Pemex Project Funding Master Trust USD 6.625% Jun 15 2035	1.4
Republic of Panama USD 7.125% Jan 29 2026	1.3
Republic of Philippines USD 7.750% Jan 14 2031	1.3
1MDB Energy Ltd. USD 5.990% May 11 2022	1.3
Export Credit Bank of Turkey USD 5.375% Feb 8 2021	1.3
Government of Poland USD 3.250% Apr 6 2026	1.2
Republic of Chile USD 3.860% Jun 21 2047	1.2
Government of Indonesia USD 5.250% Jan 17 2042	1.2
VanEck Vectors J.P. Morgan EM Local Currency Bond Fund	1.1
Hungary Government USD 5.375% Mar 25 2024	1.1
Republic of Colombia USD 8.125% May 21 2024	1.1
Russian Foreign Bond - Eurobond USD 4.750% May 27 2026	1.1
Republic of Uruguay USD 7.625% Mar 21 2036	1.1
Republic of Panama USD 6.700% Jan 26 2036	1.1
Republic of Turkey USD 4.875% Apr 16 2043	1.1
Russian Foreign Bond - Eurobond USD 4.875% Sep 16 2023	1.1
iShares J.P. Morgan USD Emerging Markets Bond Fund	1.0
Top 25 Holdings	36.5

* The Fund invests substantially all of its assets directly in the RBC Emerging Markets Bond Fund.
The above are the Top 25 holdings of the RBC Emerging Markets Bond Fund.

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.



FIXED-INCOME FUND

BLUEBAY GLOBAL MONTHLY INCOME BOND FUND

June 30, 2018

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

Sub-Advisor: BlueBay Asset Management LLP, London, England

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 high regular monthly income and total returns comprised of interest income and modest capital appreciation. To achieve the Fund's objectives, the sub-advisor invests primarily in global high-yield debt securities, emerging market government and corporate debt securities, and global convertible bonds either directly or indirectly through investments in other mutual funds managed by RBC GAM or an affiliate.

Global high-yield debt includes securities of companies rated below investment grade, which can be domiciled or carry out business anywhere in the world. Emerging market debt includes bonds issued by emerging market issuers or entities domiciled in an emerging market country, and which can be denominated in U.S. dollars, the currency of another G7 country or in the local currency of an emerging market country. Global convertible bonds include securities issued by entities that can be domiciled or carry out business anywhere in the world.

Results of Operations

The Fund's net asset value was \$1.8 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 2.0%. 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.

The Fund made monthly distributions of 3.35 cents per Series A unit in the first half of 2018.

Major equity indexes rose at the start of 2018 as investors anticipated that U.S. tax legislation passed late last year would have a positive impact on corporate profitability. Stocks then declined, however, amid geopolitical risks, trade tensions and rising U.S. interest rates, the last of which generally makes bonds more competitive with equities. Geopolitical risks came to the fore in March as the Trump administration announced plans to impose tariffs on up to US\$60 billion of annual imports from China. China responded by introducing tariffs on products worth about US\$3 billion. Inflation got a boost from oil prices that hit levels not seen since late 2014. Macroeconomic stress in emerging markets increased toward the end of the period, while in Europe, the installation of an Italian government favouring stronger curbs on immigration and more government spending raised new questions about the future of the Eurozone.

Convertible bonds were the Fund's best-performing assets, as they benefited from a first-quarter earnings period in which the bulk of U.S. companies exceeded analysts' estimates. In contrast, the Fund's emerging-market holdings hurt returns amid a broad decline in this area, with the Turkish and Argentine markets down in particular. High-yield bonds had a negative impact on portfolio returns, as higher-risk securities declined due to the volatility surrounding Italian politics in May.

Recent Developments

European politics and trade tensions have led to increased market swings, but healthy global economic growth, low inflation and still low borrowing costs should support the kind of assets held in the Fund. The sub-advisor remains optimistic about emerging markets because the economic and policy outlook remains favourable for investors.

Effective January 1, 2018, management fees were reduced as follows: from 1.65% to 1.50% for Series A and Advisor Series units; from 1.05% to 0.90% for Series D units; and from 0.90% to 0.75% for Series F and Series I units.

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.



Sub-Advisor

BlueBay Asset Management LLP is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.

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	Total	
Series A												
June 30, 2018	9.48	0.28	(0.09)	(0.19)	(0.18)	(0.18)	(0.17)	—	—	(0.03)	(0.20)	9.09
Dec. 31, 2017	9.36	0.49	(0.19)	0.18	0.05	0.53	(0.34)	—	—	(0.06)	(0.40)	9.48
Dec. 31, 2016	9.23	0.46	(0.19)	0.12	0.14	0.53	(0.35)	—	—	(0.05)	(0.40)	9.36
Dec. 31, 2015	9.89	0.48	(0.20)	(0.45)	(0.10)	(0.27)	(0.33)	—	—	(0.07)	(0.40)	9.23
Dec. 31, 2014	9.98	0.52	(0.21)	(0.21)	0.01	0.11	(0.32)	—	—	(0.08)	(0.40)	9.89
Dec. 31, 2013	10.19	0.54	(0.21)	(0.21)	(0.02)	0.10	(0.34)	—	—	(0.06)	(0.40)	9.95
Advisor Series												
June 30, 2018	9.48	0.28	(0.09)	(0.19)	(0.17)	(0.17)	(0.17)	—	—	(0.03)	(0.20)	9.09
Dec. 31, 2017	9.36	0.49	(0.20)	0.18	0.07	0.54	(0.34)	—	—	(0.06)	(0.40)	9.48
Dec. 31, 2016	9.23	0.46	(0.19)	0.12	0.15	0.54	(0.35)	—	—	(0.05)	(0.40)	9.36
Dec. 31, 2015	9.89	0.48	(0.20)	(0.45)	(0.10)	(0.27)	(0.33)	—	—	(0.07)	(0.40)	9.23
Dec. 31, 2014	9.99	0.52	(0.21)	(0.22)	0.01	0.10	(0.32)	—	—	(0.08)	(0.40)	9.89
Dec. 31, 2013	10.20	0.54	(0.21)	(0.21)	(0.02)	0.10	(0.34)	—	—	(0.06)	(0.40)	9.96
Series D												
June 30, 2018	9.98	0.30	(0.06)	(0.20)	(0.22)	(0.18)	(0.18)	—	—	(0.03)	(0.21)	9.60
Dec. 31, 2017	9.77	0.51	(0.13)	0.18	0.06	0.62	(0.34)	—	—	(0.06)	(0.40)	9.98
Dec. 31, 2016	9.55	0.48	(0.13)	0.13	0.14	0.62	(0.35)	—	—	(0.05)	(0.40)	9.77
Dec. 31, 2015	10.14	0.49	(0.13)	(0.46)	(0.11)	(0.21)	(0.33)	—	—	(0.07)	(0.40)	9.55
Dec. 31, 2014	10.16	0.53	(0.14)	(0.22)	0.01	0.18	(0.32)	—	—	(0.08)	(0.40)	10.14
Dec. 31, 2013	10.30	0.55	(0.14)	(0.22)	(0.02)	0.17	(0.34)	—	—	(0.06)	(0.40)	10.13
Series F												
June 30, 2018	10.08	0.30	(0.05)	(0.21)	(0.21)	(0.17)	(0.18)	—	—	(0.03)	(0.21)	9.70
Dec. 31, 2017	9.85	0.52	(0.12)	0.19	0.06	0.65	(0.34)	—	—	(0.06)	(0.40)	10.08
Dec. 31, 2016	9.61	0.48	(0.12)	0.13	0.15	0.64	(0.35)	—	—	(0.05)	(0.40)	9.85
Dec. 31, 2015	10.20	0.50	(0.12)	(0.47)	(0.11)	(0.20)	(0.33)	—	—	(0.07)	(0.40)	9.61
Dec. 31, 2014	10.20	0.53	(0.13)	(0.22)	0.01	0.19	(0.32)	—	—	(0.08)	(0.40)	10.20
Dec. 31, 2013	10.33	0.53	(0.13)	(0.21)	(0.02)	0.17	(0.34)	—	—	(0.06)	(0.40)	10.17
Series I												
June 30, 2018	10.14	0.30	(0.05)	(0.21)	(0.19)	(0.15)	(0.18)	—	—	(0.03)	(0.21)	9.76
Dec. 31, 2017	9.89	0.53	(0.11)	0.19	0.12	0.73	(0.34)	—	—	(0.06)	(0.40)	10.14
Dec. 31, 2016	9.65	0.48	(0.11)	0.13	0.17	0.67	(0.35)	—	—	(0.05)	(0.40)	9.89
Dec. 31, 2015	10.22	0.50	(0.11)	(0.47)	(0.11)	(0.19)	(0.33)	—	—	(0.07)	(0.40)	9.65
Dec. 31, 2014	10.22	0.55	(0.12)	(0.23)	0.01	0.21	(0.32)	—	—	(0.08)	(0.40)	10.22
Dec. 31, 2013	10.33	0.53	(0.12)	(0.21)	(0.02)	0.18	(0.34)	—	—	(0.06)	(0.40)	10.19



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	Total	
Series O												
June 30, 2018	10.33	0.31	(0.01)	(0.21)	(0.23)	(0.14)	(0.32)	—	—	—	(0.32)	9.90
Dec. 31, 2017	10.08	0.53	(0.02)	0.19	0.02	0.72	(0.49)	—	—	—	(0.49)	10.33
Dec. 31, 2016	9.80	0.49	(0.02)	0.13	0.15	0.75	(0.47)	—	—	—	(0.47)	10.08
Dec. 31, 2015	10.35	0.50	(0.02)	(0.47)	(0.11)	(0.10)	(0.47)	—	—	—	(0.47)	9.80
Dec. 31, 2014	10.34	0.48	(0.02)	(0.20)	0.01	0.27	(0.39)	—	—	(0.10)	(0.49)	10.35
Dec. 31, 2013	10.45	0.55	(0.02)	(0.22)	(0.02)	0.29	(0.42)	—	—	(0.07)	(0.49)	10.31

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.

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	9.09	30 702	3 377	1.87	1.87	132.05	—
Dec. 31, 2017	9.48	34 078	3 595	2.03	2.03	143.02	—
Dec. 31, 2016	9.36	38 983	4 165	2.04	2.04	198.75	—
Dec. 31, 2015	9.23	48 861	5 294	2.04	2.04	204.73	0.01
Dec. 31, 2014	9.89	67 539	6 833	2.04	2.04	200.88	—
Dec. 31, 2013	9.98	67 294	6 742	2.05	2.05	148.39	—
Advisor Series							
June 30, 2018	9.09	22 644	2 491	1.89	1.89	132.05	—
Dec. 31, 2017	9.48	27 156	2 865	2.06	2.06	143.02	—
Dec. 31, 2016	9.36	33 648	3 594	2.05	2.05	198.75	—
Dec. 31, 2015	9.23	45 365	4 913	2.05	2.05	204.73	0.01
Dec. 31, 2014	9.89	67 207	6 797	2.05	2.05	200.88	—
Dec. 31, 2013	9.99	69 008	6 910	2.07	2.07	148.39	—
Series D							
June 30, 2018	9.60	8 585	894	1.17	1.17	132.05	—
Dec. 31, 2017	9.98	8 890	891	1.33	1.33	143.02	—
Dec. 31, 2016	9.77	9 154	937	1.33	1.33	198.75	—
Dec. 31, 2015	9.55	9 750	1 021	1.33	1.33	204.73	0.01
Dec. 31, 2014	10.14	11 567	1 141	1.33	1.33	200.88	—
Dec. 31, 2013	10.16	10 217	1 006	1.35	1.35	148.39	—
Series F							
June 30, 2018	9.70	50 277	5 179	1.04	1.04	132.05	—
Dec. 31, 2017	10.08	50 458	5 006	1.21	1.21	143.02	—
Dec. 31, 2016	9.85	60 566	6 150	1.22	1.22	198.75	—
Dec. 31, 2015	9.61	80 104	8 331	1.22	1.22	204.73	0.01
Dec. 31, 2014	10.20	99 663	9 775	1.22	1.22	200.88	—
Dec. 31, 2013	10.20	97 616	9 567	1.23	1.23	148.39	—



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 I							
June 30, 2018	9.76	4 977	510	1.05	1.05	132.05	—
Dec. 31, 2017	10.14	5 751	567	1.11	1.11	143.02	—
Dec. 31, 2016	9.89	11 163	1 128	1.12	1.12	198.75	—
Dec. 31, 2015	9.65	10 743	1 113	1.12	1.12	204.73	0.01
Dec. 31, 2014	10.22	13 805	1 351	1.12	1.12	200.88	—
Dec. 31, 2013	10.22	20 898	2 045	1.14	1.14	148.39	—
Series O							
June 30, 2018	9.90	1 732 781	175 021	0.22	0.22	132.05	—
Dec. 31, 2017	10.33	1 560 487	150 967	0.22	0.22	143.02	—
Dec. 31, 2016	10.08	1 230 568	122 099	0.22	0.22	198.75	—
Dec. 31, 2015	9.80	1 079 818	110 227	0.22	0.22	204.73	0.01
Dec. 31, 2014	10.35	956 918	92 437	0.22	0.22	200.88	—
Dec. 31, 2013	10.34	362 132	35 028	0.22	0.22	148.39	—

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.

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	1.50%	45%	55%
Advisor Series	1.50%	45%	55%
Series D	0.90%	14%	86%
Series F	0.75%	—	100%
Series I	0.75%	—	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.

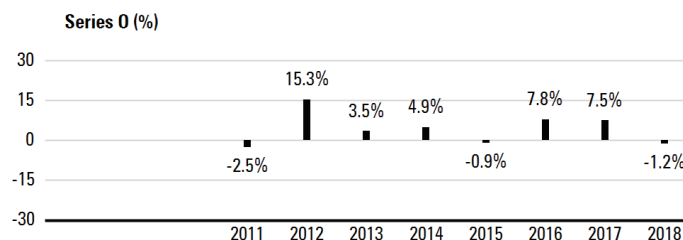
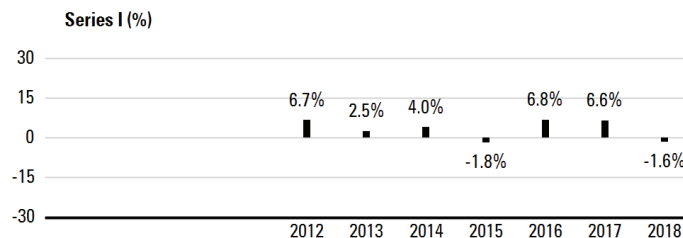
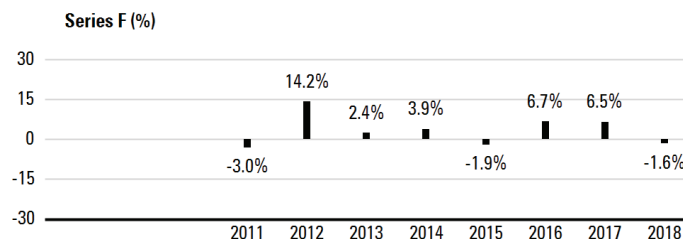
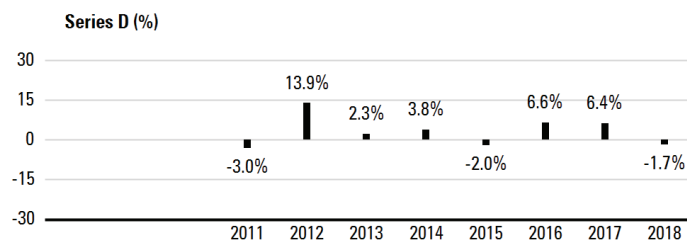
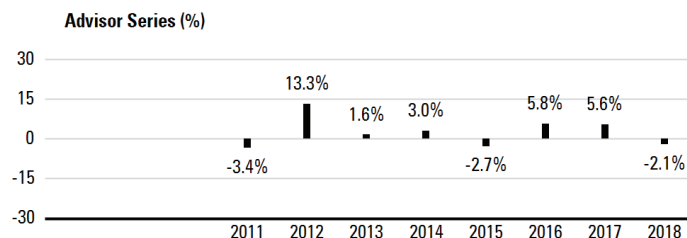
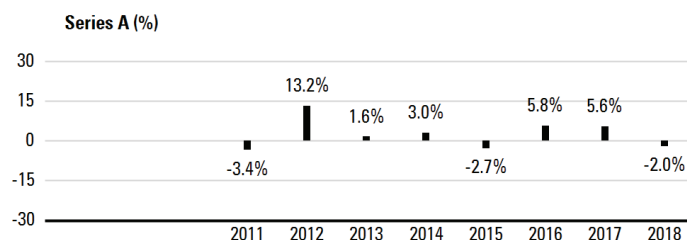


PAST PERFORMANCE

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 I units have been available for sale to unitholders since July 9, 2012, and Series A, Advisor Series, Series D, Series F and Series O units since July 11, 2011.

Inception dates are not provided for series that have been in existence for more than 10 years.

Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016.

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
United States	23.3
United Kingdom	5.6
South Africa	3.3
Brazil	3.0
Spain	2.9
China	2.8
Mexico	2.8
Turkey	2.6
Colombia	2.4
Russia	2.3
Netherlands	2.2
Italy	2.1
Indonesia	1.8
Malaysia	1.8
India	1.7
Japan	1.7
France	1.6
Argentina	1.3
Germany	1.2
Nigeria	1.1
Peru	0.8
Canada	0.4
Chile	0.2
Other Countries	15.8
Cash/Other	15.3

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	14.3
CaixaBank S.A. EUR 6.750% Dec 31 2099	1.1
United States Treasury 1.750% Sep 30 2019	0.9
United States Treasury 1.250% Aug 31 2019	0.9
HSBC Holdings Plc. USD 6.500% Dec 31 2099	0.8
Barclays Plc. GBP 7.250% Dec 31 2099	0.7
Momentive Performance Materials Inc. 3.880% Oct 24 2021	0.6
ABN AMRO Bank N.V. EUR 4.750% Dec 31 2099	0.6
Housing Development Finance Corp. Ltd. INR 6.875% Apr 30 2020	0.6
Malaysia Government MYR 4.160% Jul 15 2021	0.6
Citgo Holding Inc. 10.750% Feb 15 2020	0.6
Intesa Sanpaolo S.p.A. EUR 7.750% Dec 29 2049	0.6
Société Générale S.A. USD 6.750% Dec 31 2099	0.6
Republic of Turkey USD 3.250% Mar 23 2023	0.6
HDFC Bank Ltd. INR 8.100% Mar 22 2025	0.6
FirstRand Bank Ltd. ZAR 9.500% Feb 21 2031	0.5
Hellenic Republic Government EUR 3.750% Jan 30 2028	0.5
Hellenic Republic Government EUR 4.200% Jan 30 2042	0.5
Hellenic Republic Government EUR 4.000% Jan 30 2037	0.5
Stichting AK Rabobank Certificaten EUR 6.500% Dec 29 2049	0.5
Brazil Letras do Tesouro Nacional BRL 0.000% Jul 1 2021	0.5
Sprint Nextel Corp. 9.000% Nov 15 2018	0.5
Republic of South Africa ZAR 8.750% Feb 28 2048	0.5
WMG Acquisition Corp. 4.218% Nov 1 2023	0.5
Euro - Bobl Future, September 2018	(0.5)
Top 25 Holdings	28.1

The Fund may use futures contracts as an asset substitution or as a way to reduce interest-rate risk.

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.



FIXED-INCOME FUND

BLUEBAY GLOBAL SOVEREIGN BOND FUND (CANADA)

June 30, 2018

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

Sub-Advisor: BlueBay Asset Management LLP, London, England

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 total returns comprised of interest income and modest capital appreciation by investing primarily in fixed-income securities issued by sovereign governments and entities (including emerging-market countries) anywhere in the world. The Fund may also invest in corporate debt securities globally.

To achieve the Fund's objectives, the sub-advisor conducts detailed analysis examining economic growth, inflation, and the fiscal and monetary policy of each country to identify investment opportunities offering high probabilities of superior rates of return while minimizing the prospect of default.

Results of Operations

The Fund's net asset value was \$1.4 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.4%. 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.

Global government bonds were mixed in the first half of 2018, with U.S. Treasuries recording losses while German bonds rose and Japanese bonds were generally flat. The U.S. Treasury market underperformed other developed markets on central-bank monetary tightening attributable to higher relative economic growth and inflation. The U.S. Federal Reserve raised short-term interest rates twice during the period and scaled back bond purchases aimed at holding down longer-term rates, in line with a strengthening economy. Short-term interest rates climbed relative to longer-term rates in most major markets, a sign that investors expected less generous central banks going forward.

The sub-advisor took advantage of strong market gains at the start of 2018 to reduce exposure to relatively risky assets. This conservative approach was also reflected in the sub-advisor's decision to structure the portfolio to minimize losses in an environment of rising interest rates. Events in Italy had a significant impact on returns, as yields on German government bonds dropped sharply in a reflection of investor skittishness. The sub-advisor used the strength in German securities to realize gains in a move that had a positive overall impact on returns.

Country allocation and security selection contributed to performance, led by exposure to Italy. Allocations to Portugal and Spain also had a positive impact, while exposure to France had a negative effect.

Portfolio turnover is normally high for this Fund, as the sub-advisor attempts to generate better returns through active security selection.

Recent Developments

Global economic growth remains robust and borrowing costs low in a scenario that should support developed markets. The sub-advisor is hopeful that the worst is over for Italy, at least for now, and expects Italian bonds to continue to recover.

The sub-advisor expects the European Central Bank (the "ECB") to continue efforts to keep borrowing costs at historically low levels, and believes that the ECB is in no hurry to raise rates or initiate bond purchases after the Italian scare.

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.

Sub-Advisor

BlueBay Asset Management LLP is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.



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.

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	Total	
Series A												
June 30, 2018	10.08	0.08	(0.08)	(0.27)	0.33	0.06	(0.03)	—	—	—	(0.03)	10.09
Dec. 31, 2017	10.03	0.22	(0.15)	0.11	0.07	0.25	(0.04)	—	(0.11)	—	(0.15)	10.08
Dec. 31, 2016 ³	10.00 [†]	0.01	(0.01)	(0.02)	0.05	0.03	—	—	—	—	—	10.03
Advisor Series												
June 30, 2018	10.09	0.08	(0.07)	(0.27)	0.27	0.01	(0.03)	—	—	—	(0.03)	10.10
Dec. 31, 2017	10.03	0.20	(0.15)	0.10	0.19	0.34	(0.04)	—	(0.11)	—	(0.15)	10.09
Dec. 31, 2016 ³	10.00 [†]	0.01	(0.01)	(0.02)	0.05	0.03	—	—	—	—	—	10.03
Series D												
June 30, 2018	10.11	0.08	(0.05)	(0.27)	0.27	0.03	(0.05)	—	—	—	(0.05)	10.12
Dec. 31, 2017	10.04	0.22	(0.10)	0.11	0.08	0.31	(0.08)	—	(0.11)	—	(0.19)	10.11
Dec. 31, 2016 ³	10.00 [†]	0.01	(0.01)	(0.02)	0.06	0.04	—	—	—	—	—	10.04
Series F												
June 30, 2018	10.10	0.08	(0.04)	(0.27)	0.31	0.08	(0.07)	—	—	—	(0.07)	10.12
Dec. 31, 2017	10.04	0.20	(0.07)	0.10	0.09	0.32	(0.10)	—	(0.12)	—	(0.22)	10.10
Dec. 31, 2016 ³	10.00 [†]	0.01	(0.01)	(0.02)	0.06	0.04	—	—	—	—	—	10.04
Series O												
June 30, 2018	10.10	0.08	—	(0.27)	0.30	0.11	(0.10)	—	—	—	(0.10)	10.11
Dec. 31, 2017	10.03	0.25	(0.01)	0.13	0.02	0.39	(0.17)	—	(0.11)	—	(0.28)	10.10
Dec. 31, 2016 ³	10.00 [†]	0.01	—	(0.02)	0.06	0.05	(0.02)	—	—	—	(0.02)	10.03

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 November 1, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	10.09	166	16	1.56	1.56	180.38	—
Dec. 31, 2017	10.08	15	1	1.47	1.47	136.99	—
Dec. 31, 2016 ⁴	10.03	1	—	1.58	1.58	14.25	—
Advisor Series							
June 30, 2018	10.10	166	16	1.47	1.47	180.38	—
Dec. 31, 2017	10.09	80	8	1.47	1.47	136.99	—
Dec. 31, 2016 ⁴	10.03	1	—	1.58	1.58	14.25	—
Series D							
June 30, 2018	10.12	156	15	1.00	1.00	180.38	—
Dec. 31, 2017	10.11	133	13	1.02	1.02	136.99	—
Dec. 31, 2016 ⁴	10.04	1	—	1.02	1.02	14.25	—
Series F							
June 30, 2018	10.12	1 963	194	0.70	0.70	180.38	—
Dec. 31, 2017	10.10	566	56	0.69	0.69	136.99	—
Dec. 31, 2016 ⁴	10.04	1	—	0.73	0.74	14.25	—
Series O							
June 30, 2018	10.11	1 428 381	141 277	0.06	0.06	180.38	—
Dec. 31, 2017	10.10	1 248 474	123 616	0.06	0.06	136.99	—
Dec. 31, 2016 ⁴	10.03	119 306	11 896	0.06	0.06	14.25	—

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 From November 1, 2016.

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	1.35%	56%	44%
Advisor Series	1.35%	56%	44%
Series D	0.85%	29%	71%
Series F	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 O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since December 1, 2016.

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
United States	24.7
Japan	10.4
Italy	9.7
Germany	4.5
Supranational	3.9
Mexico	2.6
Spain	2.6
Macedonia	1.6
Australia	1.4
New Zealand	1.3
Other Countries	32.8
Cash/Other	4.5

Top 25 Holdings

	% of Net Asset Value
United States Treasury 2.750% Feb 15 2028	8.2
United States Treasury 2.875% May 15 2028	5.4
France O.A.T. EUR 1.000% May 25 2027	4.5
United States Treasury 2.875% Nov 15 2046	4.2
Japan Government Thirty Year JPY 0.600% Dec 20 2046	4.1
Cash & Cash Equivalents	3.9
United States Treasury 2.750% May 31 2023	3.9
Buoni Poliennali Del Tesoro EUR 0.950% Mar 1 2023	3.8
France O.A.T. EUR 0.000% May 25 2022	3.3
Bundesrepublik Deutschland Bundesanleihe EUR 0.500% Feb 15 2028	3.2
Buoni Poliennali Del Tesoro EUR 2.450% Sep 1 2033	3.0
United Kingdom Gilt GBP 3.500% Jan 22 2045	2.8
Japan Government Twenty Year JPY 0.500% Sep 20 2036	2.5
Government of Indonesia JPY 0.670% May 31 2021	2.5
Japanese Government CPI Linked JPY 0.100% Mar 10 2026	2.4
European Investment Bank IDR 7.200% Jul 9 2019	2.3
CPPIB Capital Inc. USD 2.302% Dec 27 2019	2.2
Province of Quebec EUR 0.875% Jul 5 2028	2.1
United Kingdom Gilt GBP 0.500% Jul 22 2022	2.0
Slovakia Government EUR 3.375% Nov 15 2024	1.9
Spain Government EUR 2.900% Oct 31 2046	1.8
Belgium Government EUR 0.800% Jun 22 2028	1.6
United Kingdom Long Gilt Future, September 2018	(1.8)
Euro - Bobl Future, September 2018	(2.2)
Euro-Bund Future, September 2018	(4.3)
Top 25 Holdings	63.3

The Fund may use futures contracts as an asset substitution or as a way to reduce interest-rate risk.

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.



FIXED-INCOME FUND

BLUEBAY GLOBAL INVESTMENT GRADE CORPORATE BOND FUND (CANADA)

June 30, 2018

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

Sub-Advisor: BlueBay Asset Management LLP, London, England

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.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide total returns comprised of interest income and modest capital appreciation by investing primarily in investment-grade corporate debt securities from anywhere in the world. It may also invest in high-yield debt securities and emerging-market sovereign and corporate bonds globally.

To achieve the Fund's objectives, the sub-advisor conducts detailed company credit and industry analysis to identify investment opportunities offering high probabilities of superior rates of return while minimizing the prospect of default.

Results of Operations

The Fund's net asset value was \$2.0 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 2.5%. 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.

January was a good month for the Fund's returns, but performance deteriorated for much of the rest of the period as a rise in the overall level of interest rates led to bond-market declines. The Fund's relative performance benefited from a preference for higher-risk securities, while security selection was in general negative for returns. Performance also benefited from holdings of credit-default swaps, which acted as a form of insurance when bonds fell over the period. Positioning for relative movements in interest rates also helped offset the impact of security selection.

In terms of sectors and issuers, banking and consumer companies tied to the pace of economic growth were negative for performance, while natural-gas and technology companies were small contributors. Overweight positions in bank bonds designed to cushion taxpayer losses in a financial crisis held back returns significantly, Intesa of Italy and Spain's Santander, in particular. Positions in Deutsche Bank and Petrobras held back returns.

Portfolio turnover is normally high for this Fund, as the sub-advisor attempts to generate better returns through active security selection.

Recent Developments

Higher interest rates as well as trade and political tensions have increased financial-market volatility. However, healthy economic growth, low inflation and broadly accommodative monetary policy should limit the damage to corporate bonds and other "risk" assets. Expectations that the U.S. Federal Reserve will raise short-term interest rates two to three times this year are already reflected in bond prices, in the view of the sub-advisor. For now, the Fund is positioned

so that changes in the overall level of interest rates should not have a significant impact on relative returns.

Uncertainties stemming from Italian politics will likely keep volatility elevated, particularly for the riskier Eurozone markets of Italy, Spain, Portugal and Greece. The sub-advisor is relatively optimistic about European corporate bonds given purchases by the European Central Bank.

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.

Sub-Advisor

BlueBay Asset Management LLP is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.

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	10.40	0.20	(0.07)	(0.32)	—	(0.19)	(0.14)	—	—	—	(0.14)	9.99
Dec. 31, 2017	10.11	0.26	(0.16)	0.17	0.16	0.43	(0.09)	—	(0.16)	—	(0.25)	10.40
Dec. 31, 2016 ³	10.00 [†]	0.02	(0.01)	(0.01)	0.11	0.11	—	—	—	—	—	10.11
Advisor Series												
June 30, 2018	10.40	0.20	(0.07)	(0.32)	(0.02)	(0.21)	(0.15)	—	—	—	(0.15)	10.01
Dec. 31, 2017	10.11	0.29	(0.16)	0.18	0.08	0.39	(0.09)	—	(0.16)	—	(0.25)	10.40
Dec. 31, 2016 ³	10.00 [†]	0.02	(0.01)	(0.01)	0.11	0.11	—	—	—	—	—	10.11
Series D												
June 30, 2018	10.41	0.20	(0.05)	(0.33)	(0.07)	(0.25)	(0.17)	—	—	—	(0.17)	10.00
Dec. 31, 2017	10.11	0.32	(0.11)	0.20	0.12	0.53	(0.13)	—	(0.16)	—	(0.29)	10.41
Dec. 31, 2016 ³	10.00 [†]	0.02	(0.01)	(0.01)	0.11	0.11	(0.01)	—	—	—	(0.01)	10.11
Series F												
June 30, 2018	10.40	0.20	(0.03)	(0.32)	(0.05)	(0.20)	(0.19)	—	—	—	(0.19)	10.00
Dec. 31, 2017	10.11	0.25	(0.08)	0.16	0.55	0.88	(0.16)	—	(0.17)	—	(0.33)	10.40
Dec. 31, 2016 ³	10.00 [†]	0.02	(0.01)	(0.01)	0.11	0.11	(0.01)	—	—	—	(0.01)	10.11
Series O												
June 30, 2018	10.39	0.20	—	(0.33)	(0.06)	(0.19)	(0.22)	—	—	—	(0.22)	9.98
Dec. 31, 2017	10.09	0.33	(0.01)	0.21	0.15	0.68	(0.23)	—	(0.16)	—	(0.39)	10.39
Dec. 31, 2016 ³	10.00 [†]	0.02	—	(0.01)	0.11	0.12	(0.03)	—	—	—	(0.03)	10.09

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 November 1, 2016.

[†] Initial offering net asset value per unit.



**BLUEBAY GLOBAL INVESTMENT GRADE
CORPORATE BOND FUND (CANADA)**

FINANCIAL HIGHLIGHTS (cont.)

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	9.99	1 933	193	1.50	1.50	124.10	—
Dec. 31, 2017	10.40	167	16	1.49	1.49	127.79	—
Dec. 31, 2016 ⁴	10.11	1	—	1.58	1.58	8.21	—
Advisor Series							
June 30, 2018	10.01	333	33	1.47	1.47	124.10	—
Dec. 31, 2017	10.40	23	2	1.47	1.47	127.79	—
Dec. 31, 2016 ⁴	10.11	1	—	1.58	1.58	8.21	—
Series D							
June 30, 2018	10.00	97	10	1.01	1.01	124.10	—
Dec. 31, 2017	10.41	368	35	1.03	1.03	127.79	—
Dec. 31, 2016 ⁴	10.11	1	—	1.02	1.02	8.21	—
Series F							
June 30, 2018	10.00	18 888	1 889	0.69	0.69	124.10	—
Dec. 31, 2017	10.40	3 929	378	0.68	0.68	127.79	—
Dec. 31, 2016 ⁴	10.11	1	—	0.74	0.74	8.21	—
Series O							
June 30, 2018	9.98	1 985 038	198 810	0.06	0.06	124.10	—
Dec. 31, 2017	10.39	1 830 171	176 072	0.06	0.06	127.79	—
Dec. 31, 2016 ⁴	10.09	158 522	15 709	0.06	0.06	8.21	—

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 From November 1, 2016.

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	1.35%	56%	44%
Advisor Series	1.35%	56%	44%
Series D	0.85%	29%	71%
Series F	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.



**BLUEBAY GLOBAL INVESTMENT GRADE
CORPORATE BOND FUND (CANADA)**

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 O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since December 1, 2016.

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
United States	45.2
Canada	14.7
Germany	10.0
United Kingdom	9.0
France	2.1
Switzerland	1.5
Australia	0.8
Other Countries	12.2
Cash/Other	4.5

Top 25 Holdings

	% of Net Asset Value
United States Treasury 2.875% May 15 2028	5.5
Cash & Cash Equivalents	4.4
United States Treasury 3.000% Feb 15 2048	3.8
Deutsche Bank AG USD 2.500% Feb 13 2019	2.7
General Motors Financial Co. Inc. 3.100% Jan 15 2019	2.2
Barclays Plc. USD 2.750% Nov 8 2019	1.7
Rogers Communications Inc. 2.800% Mar 13 2019	1.7
Powszechna Kasa Oszczednosci Bank Polski S.A. EUR 2.324% Jan 23 2019	1.7
Barclays Plc. USD 2.875% Jun 8 2020	1.6
Ford Credit Canada Co. 3.140% Jun 14 2019	1.6
Ford Credit Canada Co. 3.700% Aug 2 2018	1.5
EQT Corp. 2.500% Oct 1 2020	1.3
Canadian Natural Resources Ltd. 3.050% Jun 19 2019	1.3
Deutsche Bank AG USD 2.850% May 10 2019	1.2
Mitsubishi UFJ Trust & Banking Corp. USD 2.650% Oct 19 2020	1.2
Enbridge Inc. 4.770% Sep 2 2019	1.0
Metropolitan Life Global Funding I CAD 2.682% Apr 16 2019	1.0
Bundesrepublik Deutschland EUR 0.500% Feb 15 2025	1.0
Jimmy Johns Funding LLC 4.846% Jul 30 2047	0.9
ZF North America Capital Inc. 4.000% Apr 29 2020	0.9
HSBC Holdings Plc. EUR 4.750% Dec 31 2099	0.9
International Lease Finance Corp. 6.250% May 15 2019	0.9
Maple Escrow Subsidiary Inc. 4.597% May 25 2028	0.8
Ford Motor Credit Co. LLC 2.262% Mar 28 2019	0.8
ABN AMRO Bank N.V. EUR 4.750% Dec 31 2099	0.8
Top 25 Holdings	42.4

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.



FIXED-INCOME FUND

**BLUEBAY EUROPEAN HIGH YIELD
BOND FUND (CANADA)**

June 30, 2018

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

Sub-Advisor: BlueBay Asset Management LLP, London, England

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 total returns comprised of interest income and modest capital appreciation by investing primarily in high-yield debt securities issued by entities domiciled in or carrying out the majority of their business activities in Europe.

To achieve the Fund's objectives, the sub-advisor conducts detailed company credit and industry analysis to identify investment opportunities offering high probabilities of superior rates of return while minimizing the prospect of default.

Results of Operations

The Fund's net asset value was \$577 million as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 0.4%. 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.

Security selection contributed significantly to the Fund's performance in the first half of 2018, led by bonds in the Financials sector and, given a degree of macroeconomic uncertainty, in sectors that are less tied to the pace of economic growth.

The portfolio's holdings of bonds designed to cushion taxpayer losses in a financial crisis (known as CoCos) contributed to returns early in the period, but reversed much – but not all – of those gains as the first half of the year progressed. These securities proved most vulnerable to heightened European political risks, especially in Italy.

Returns were held back by investments in media companies, specifically Altice, the large Netherlands-based telecommunications company burdened by debt. On the positive side, the Fund's lack of relative exposure to the Telecommunication Services sector was good for returns.

All regions posted positive relative performance, with notable outperformance coming from strong security selection in Europe.

Portfolio turnover is normally high for the Fund, as the sub-advisor attempts to generate better returns through active security selection and optimal term exposure.

Recent Developments

The variety of factors contributing to risk market performance in May provided a reminder that investors cannot rely solely on the strong operating performance of portfolio companies for returns, and that the impact of the overall high-yield bond market has a large role in determining performance.

The sub-advisor remains comfortable with the macroeconomic backdrop and the benign environment for bond defaults. However, the

impact of policy and politics is becoming an increasingly important consideration when selecting securities for the portfolio.

Effective January 1, 2018, management fees were reduced as follows: from 1.65% to 1.50% for Series A and Advisor Series units; from 1.05% to 0.90% for Series D units; and from 0.90% to 0.75% for Series F units.

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.

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Distributors

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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.

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:

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- (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	10.39	0.23	(0.09)	0.13	(0.36)	(0.09)	(0.14)	—	—	—	(0.14)	10.21
Dec. 31, 2017	10.01	0.49	(0.20)	(0.01)	0.20	0.48	(0.30)	—	—	—	(0.30)	10.39
Dec. 31, 2016 ³	10.00 [†]	12.10	(0.05)	16.80	(28.69)	0.16	(0.03)	—	(0.12)	—	(0.15)	10.01
Advisor Series												
June 30, 2018	10.40	0.23	(0.09)	0.13	(0.28)	(0.01)	(0.14)	—	—	—	(0.14)	10.22
Dec. 31, 2017	10.01	0.49	(0.20)	(0.01)	(0.02)	0.26	(0.30)	—	—	—	(0.30)	10.40
Dec. 31, 2016 ³	10.00 [†]	12.10	(0.05)	16.80	(28.69)	0.16	(0.03)	—	(0.12)	—	(0.15)	10.01
Series D												
June 30, 2018	10.38	0.23	(0.06)	0.13	(0.33)	(0.03)	(0.17)	—	—	—	(0.17)	10.20
Dec. 31, 2017	10.00	0.49	(0.13)	(0.01)	0.18	0.53	(0.38)	—	—	—	(0.38)	10.38
Dec. 31, 2016 ³	10.00 [†]	12.10	(0.03)	16.80	(28.69)	0.18	(0.05)	—	(0.13)	—	(0.18)	10.00
Series F												
June 30, 2018	10.43	0.23	(0.05)	0.13	(0.32)	(0.01)	(0.18)	—	—	—	(0.18)	10.25
Dec. 31, 2017	10.01	0.49	(0.12)	(0.01)	0.29	0.65	(0.38)	—	—	—	(0.38)	10.43
Dec. 31, 2016 ³	10.00 [†]	12.10	(0.03)	16.80	(28.68)	0.19	(0.05)	—	(0.13)	—	(0.18)	10.01
Series O												
June 30, 2018	10.37	0.23	(0.01)	0.13	(0.31)	0.04	(0.22)	—	—	—	(0.22)	10.19
Dec. 31, 2017	9.99	0.50	(0.02)	(0.01)	0.38	0.85	(0.48)	—	—	—	(0.48)	10.37
Dec. 31, 2016 ³	10.00 [†]	0.10	—	0.14	—	0.24	(0.09)	—	(0.12)	—	(0.21)	9.99

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 June 27, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	10.21	222	22	1.73	1.73	108.45	—
Dec. 31, 2017	10.39	94	9	1.89	1.89	100.97	—
Dec. 31, 2016 ⁴	10.01	1	—	2.03	2.03	12.58	—
Advisor Series							
June 30, 2018	10.22	34	3	1.73	1.73	108.45	—
Dec. 31, 2017	10.40	55	5	1.89	1.89	100.97	—
Dec. 31, 2016 ⁴	10.01	1	—	2.03	2.03	12.58	—
Series D							
June 30, 2018	10.20	150	15	1.17	1.17	108.45	—
Dec. 31, 2017	10.38	80	8	1.27	1.27	100.97	—
Dec. 31, 2016 ⁴	10.00	1	—	1.36	1.36	12.58	—
Series F							
June 30, 2018	10.25	75	7	0.95	0.95	108.45	—
Dec. 31, 2017	10.43	53	5	1.10	1.10	100.97	—
Dec. 31, 2016 ⁴	10.01	1	—	1.19	1.19	12.58	—
Series O							
June 30, 2018	10.19	577 083	56 611	0.17	0.17	108.45	—
Dec. 31, 2017	10.37	568 900	54 869	0.17	0.17	100.97	—
Dec. 31, 2016 ⁴	9.99	460 672	46 091	0.16	0.16	12.58	—

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 From June 27, 2016.

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	1.50%	45%	55%
Advisor Series	1.50%	45%	55%
Series D	0.90%	14%	86%
Series F	0.75%	—	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 O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since October 3, 2016.

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
United Kingdom	21.9
United States	9.8
Luxembourg	9.7
Italy	7.9
Spain	6.0
France	5.6
Netherlands	5.4
Germany	5.0
Ireland	1.3
Other Countries	15.9
Cash/Other	11.5

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	11.3
Nassa Topco AS EUR 2.875% Apr 6 2024	2.8
Virgin Media Receivables Financing Notes I DAC GBP 5.500% Sep 15 2024	2.4
InterXion Holding N.V. EUR 6.000% Jul 15 2020	1.9
Virgin Media Receivables Financing Notes II DAC GBP 5.750% Apr 15 2023	1.8
Teva Pharmaceutical Finance V BV CHF 1.500% Oct 25 2018	1.7
Vue International Bidco Plc. GBP 7.875% Jul 15 2020	1.7
Unitymedia GmbH EUR 3.750% Jan 15 2027	1.6
Voyage Care Bondco Plc. GBP 5.875% May 1 2023	1.5
AMC Entertainment Holdings Inc. GBP 6.375% Nov 15 2024	1.4
Altice Finco S.A. EUR 4.750% Jan 15 2028	1.3
International Game Technology Plc. EUR 3.500% Jul 15 2024	1.3
Newco SAB Bidco SASU EUR 3.000% Apr 22 2024	1.2
Hercule Debtco Sarl EUR 6.750% Jun 30 2024	1.2
Fabric BC S.p.A. EUR 3.811% Nov 30 2024	1.2
Telefonica Europe BV EUR 3.875% Dec 31 2099	1.1
Intesa Sanpaolo S.p.A. EUR 7.750% Dec 29 2049	1.0
Promotora de Informaciones S.A. EUR 2.600% Dec 12 2018	1.0
Telecom Italia Finance S.A. EUR 7.750% Jan 24 2033	1.0
Federal-Mogul LLC EUR 5.000% Jul 15 2024	1.0
ZPG Plc. GBP 3.750% Jul 15 2023	1.0
Viridian Power & Energy Ltd. EUR 4.000% Sep 15 2025	1.0
Synlab Bondco Plc. EUR 3.500% Jul 1 2022	1.0
Sigma Bidco BV GBP 0.000% Mar 5 2025	1.0
Matterhorn Telecom S.A. EUR 4.000% Nov 15 2027	1.0
Top 25 Holdings	44.4

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.



FIXED-INCOME FUND

BLUEBAY EMERGING MARKETS CORPORATE BOND FUND

June 30, 2018

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

Sub-Advisor: BlueBay Asset Management LLP, London, England

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 (in USD)

Investment Objective and Strategies

The Fund seeks to provide total returns comprised of interest income and modest capital appreciation.

To achieve its objective, the Fund invests primarily in U.S. dollar denominated debt securities of corporations based in emerging market countries. The Fund may also invest in government debt securities of emerging market and developed countries, as well as emerging market sovereign bonds and government debt securities of developed countries in local currencies or in another G7 currency. The sub-advisor conducts detailed company credit and industry analysis to identify opportunities offering a high probability of superior rates of return, while minimizing the risk of default.

Results of Operations

The Fund's net asset value was \$710 million as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 5.5%. 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.

Emerging-market bonds and other risky assets rose at the start of 2018 amid investor optimism about the outlook for global economic growth. Stocks reversed course in February, with all major government and corporate indexes falling as U.S. interest rates increased and geopolitical tensions intensified, leading to a surge in the U.S. dollar. Attention turned to Turkey in April ahead of elections and the reluctance of the country's central bank to hike interest rates, leading to a drop in the currency. Argentina was another negative for emerging-market bonds. In the corporate market, the Chinese Real Estate sector came under pressure on expectations of heavy bond sales.

The Fund's performance benefited from holdings in the state-controlled oil and gas company Petrobras, which performed well as oil prices climbed. Relative returns were also aided by the avoidance of the mining company Rusal, given U.S. sanctions against Russian companies and a lack of relative exposure to Hong Kong amid heavy bond issuance in Asia during the period.

Returns were held back by currency exposure in an environment of U.S.-dollar strength and an overweight allocation to Ecuador government debt. An allocation to Chinese real estate also hurt relative returns.

Portfolio turnover is normally high for this Fund, as the sub-advisor attempts to generate better returns through active security selection.

Recent Developments

Declines in emerging-market financial markets were not accompanied by any significant deterioration of the economic outlook, which, in the view of the sub-advisor, remains favourable for growth. Emerging-market economic activity is strengthening, and debt levels and current-account balances have improved significantly in recent years, while overall inflation levels are subdued.

Effective January 1, 2018, management fees were reduced as follows: from 1.65% to 1.50% for Series A and Advisor Series units; from 1.05% to 0.90% for Series D units; and from 0.90% to 0.75% for Series F units.

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.

Sub-Advisor

BlueBay Asset Management LLP is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.



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.

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 (in USD)

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	8.32	0.24	(0.07)	(0.17)	(0.44)	(0.44)	(0.18)	—	—	—	(0.18)	7.68
Dec. 31, 2017	8.03	0.51	(0.17)	0.31	0.09	0.74	(0.33)	—	(0.17)	—	(0.50)	8.32
Dec. 31, 2016	8.20	0.46	(0.18)	0.15	0.27	0.70	(0.28)	—	(0.62)	—	(0.90)	8.03
Dec. 31, 2015	9.35	0.50	(0.19)	(0.45)	(0.15)	(0.29)	(0.33)	—	(0.53)	—	(0.86)	8.20
Dec. 31, 2014	9.70	0.54	(0.21)	0.03	(0.06)	0.30	(0.35)	—	(0.37)	—	(0.72)	9.35
Dec. 31, 2013	10.73	0.52	(0.21)	(0.23)	(0.67)	(0.59)	(0.43)	—	(0.04)	—	(0.47)	9.66
Advisor Series												
June 30, 2018	8.31	0.24	(0.08)	(0.16)	(0.45)	(0.45)	(0.18)	—	—	—	(0.18)	7.68
Dec. 31, 2017	8.02	0.51	(0.17)	0.31	0.14	0.79	(0.33)	—	(0.17)	—	(0.50)	8.31
Dec. 31, 2016	8.18	0.46	(0.18)	0.15	0.37	0.80	(0.28)	—	(0.61)	—	(0.89)	8.02
Dec. 31, 2015	9.34	0.50	(0.19)	(0.44)	(0.15)	(0.28)	(0.33)	—	(0.53)	—	(0.86)	8.18
Dec. 31, 2014	9.71	0.54	(0.21)	0.03	(0.06)	0.30	(0.36)	—	(0.37)	—	(0.73)	9.34
Dec. 31, 2013	10.72	0.52	(0.21)	(0.23)	(0.67)	(0.59)	(0.42)	—	(0.04)	—	(0.46)	9.67
Series D												
June 30, 2018	8.34	0.24	(0.05)	(0.17)	(0.44)	(0.42)	(0.21)	—	—	—	(0.21)	7.70
Dec. 31, 2017	8.06	0.51	(0.11)	0.31	0.13	0.84	(0.39)	—	(0.17)	—	(0.56)	8.34
Dec. 31, 2016	8.23	0.46	(0.12)	0.15	0.29	0.78	(0.34)	—	(0.62)	—	(0.96)	8.06
Dec. 31, 2015	9.38	0.50	(0.13)	(0.45)	(0.15)	(0.23)	(0.40)	—	(0.53)	—	(0.93)	8.23
Dec. 31, 2014	9.72	0.54	(0.14)	0.03	(0.06)	0.37	(0.40)	—	(0.37)	—	(0.77)	9.38
Dec. 31, 2013	10.78	0.53	(0.15)	(0.24)	(0.69)	(0.55)	(0.54)	—	(0.04)	—	(0.58)	9.67
Series F												
June 30, 2018	8.35	0.24	(0.04)	(0.17)	(0.46)	(0.43)	(0.21)	—	—	—	(0.21)	7.71
Dec. 31, 2017	8.06	0.51	(0.10)	0.31	0.05	0.77	(0.40)	—	(0.17)	—	(0.57)	8.35
Dec. 31, 2016	8.25	0.46	(0.10)	0.16	0.29	0.81	(0.35)	—	(0.64)	—	(0.99)	8.06
Dec. 31, 2015	9.41	0.50	(0.12)	(0.45)	(0.15)	(0.22)	(0.42)	—	(0.53)	—	(0.95)	8.25
Dec. 31, 2014	9.75	0.54	(0.13)	0.03	(0.06)	0.38	(0.41)	—	(0.37)	—	(0.78)	9.41
Dec. 31, 2013	10.73	0.52	(0.13)	(0.23)	(0.67)	(0.51)	(0.48)	—	(0.04)	—	(0.52)	9.70
Series O												
June 30, 2018	8.36	0.24	(0.01)	(0.17)	(0.46)	(0.40)	(0.25)	—	—	—	(0.25)	7.72
Dec. 31, 2017	8.07	0.51	(0.02)	0.31	0.13	0.93	(0.48)	—	(0.17)	—	(0.65)	8.36
Dec. 31, 2016	8.25	0.46	(0.02)	0.16	0.28	0.88	(0.44)	—	(0.64)	—	(1.08)	8.07
Dec. 31, 2015	9.41	0.50	(0.02)	(0.45)	(0.15)	(0.12)	(0.51)	—	(0.53)	—	(1.04)	8.25
Dec. 31, 2014	9.72	0.53	(0.02)	0.03	(0.06)	0.48	(0.49)	—	(0.37)	—	(0.86)	9.41
Dec. 31, 2013	10.68	0.51	(0.02)	(0.23)	(0.67)	(0.41)	(0.56)	—	(0.04)	—	(0.60)	9.68

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.



FINANCIAL HIGHLIGHTS (in USD) (cont.)

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	7.68	3 445	448	1.86	1.86	210.30	—
Dec. 31, 2017	8.32	4 877	586	2.02	2.02	219.93	—
Dec. 31, 2016	8.03	2 729	340	2.05 ⁴	2.05	265.09	—
Dec. 31, 2015	8.20	2 477	302	2.09	2.09	179.16	—
Dec. 31, 2014	9.35	3 746	401	2.10	2.10	149.67	0.01
Dec. 31, 2013	9.70	6 839	705	2.09	2.09	122.80	—
Advisor Series							
June 30, 2018	7.68	908	118	1.89	1.89	210.30	—
Dec. 31, 2017	8.31	1 034	124	2.04	2.04	219.93	—
Dec. 31, 2016	8.02	1 096	137	2.07 ⁴	2.07	265.09	—
Dec. 31, 2015	8.18	1 579	193	2.08	2.08	179.16	—
Dec. 31, 2014	9.34	2 613	280	2.10	2.10	149.67	0.01
Dec. 31, 2013	9.71	5 238	540	2.09	2.09	122.80	—
Series D							
June 30, 2018	7.70	1 940	252	1.17	1.17	210.30	—
Dec. 31, 2017	8.34	2 260	271	1.33	1.33	219.93	—
Dec. 31, 2016	8.06	1 824	226	1.35 ⁴	1.35	265.09	—
Dec. 31, 2015	8.23	1 848	225	1.38	1.38	179.16	—
Dec. 31, 2014	9.38	2 231	238	1.38	1.38	149.67	0.01
Dec. 31, 2013	9.72	2 338	241	1.40	1.40	122.80	—
Series F							
June 30, 2018	7.71	11 913	1 545	1.03	1.03	210.30	—
Dec. 31, 2017	8.35	11 653	1 396	1.19	1.19	219.93	—
Dec. 31, 2016	8.06	5 611	696	1.21 ⁴	1.21	265.09	—
Dec. 31, 2015	8.25	5 800	703	1.24	1.24	179.16	—
Dec. 31, 2014	9.41	7 936	843	1.27	1.27	149.67	0.01
Dec. 31, 2013	9.75	10 264	1 053	1.27	1.27	122.80	—
Series O							
June 30, 2018	7.72	692 258	89 659	0.22	0.22	210.30	—
Dec. 31, 2017	8.36	697 426	83 436	0.22	0.22	219.93	—
Dec. 31, 2016	8.07	578 752	71 705	0.23	0.23	265.09	—
Dec. 31, 2015	8.25	493 018	59 740	0.23	0.23	179.16	—
Dec. 31, 2014	9.41	501 991	53 325	0.22	0.22	149.67	0.01
Dec. 31, 2013	9.72	390 954	40 202	0.23	0.23	122.80	—

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 – 2.02%, Advisor Series – 2.04%, Series D – 1.33% and Series F – 1.19%.



FINANCIAL HIGHLIGHTS (in USD) (cont.)

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	1.50%	44%	56%
Advisor Series	1.50%	44%	56%
Series D	0.90%	14%	86%
Series F	0.75%	—	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.

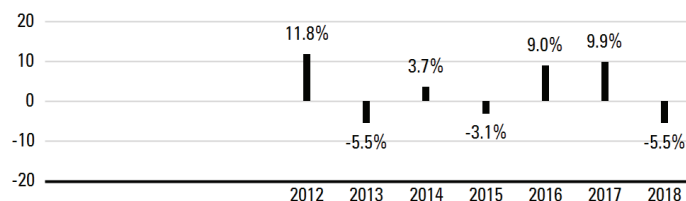
PAST PERFORMANCE (in USD)

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.

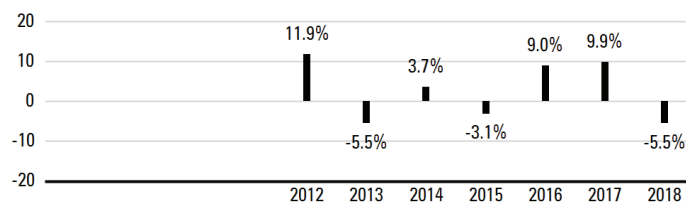
Year-by-Year Returns (%)

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.

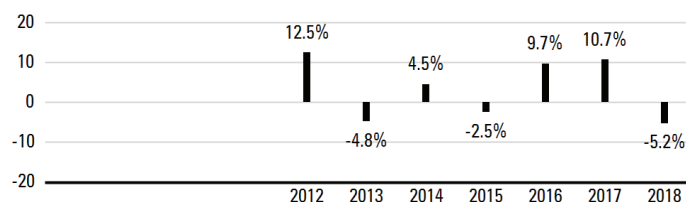
Series A (%)



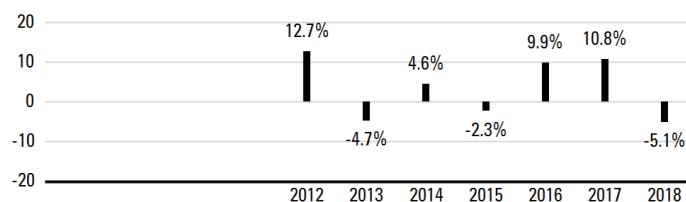
Advisor Series (%)



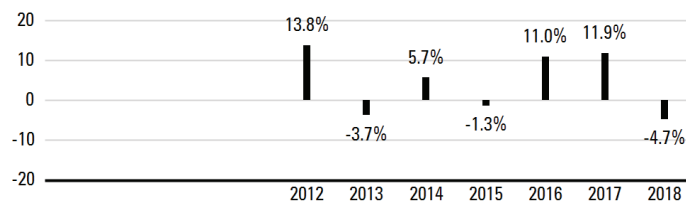
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since January 30, 2012.

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 (in USD)

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
Brazil	9.8
China	8.8
Turkey	6.5
Colombia	5.8
Indonesia	4.0
Mexico	3.9
United Arab Emirates	3.7
Hong Kong	3.6
Argentina	3.5
South Africa	3.5
India	3.2
Chile	3.0
Ukraine	2.8
Kazakhstan	2.5
Israel	1.7
Luxembourg	1.5
Russia	1.0
Kuwait	0.7
Thailand	0.4
Malaysia	0.3
Other Countries	25.6
Cash/Other	4.2

Top 25 Holdings

	% of Net Asset Value
United States Treasury 1.250% Aug 31 2019	9.0
State Grid Overseas Investment 2016 Ltd. USD 3.750% May 2 2023	2.6
Republic of Colombia USD 7.375% Mar 18 2019	2.1
Government of Indonesia USD 3.750% Apr 25 2022	2.1
Corp Nacional del Cobre de Chile USD 4.500% Aug 13 2023	2.1
Minejesa Capital BV USD 5.625% Aug 10 2037	1.9
Qatar Government USD 5.103% Apr 23 2048	1.5
CNAC HK Finbridge Co. Ltd. USD 4.125% Mar 14 2021	1.4
Republic of Argentina USD 6.875% Apr 22 2021	1.3
Access Bank Plc. USD 10.500% Oct 19 2021	1.3
Akbank Turk A.S. USD 7.200% Mar 16 2027	1.2
Stoneway Capital Corp. USD 10.000% Mar 1 2027	1.2
Abu Dhabi Government USD 6.750% Apr 8 2019	1.2
Emirates NBD PJSC USD 3.155% Feb 12 2020	1.1
Liquid Telecommunications Financing Plc USD 8.500% Jul 13 2022	1.1
Cash & Cash Equivalents	1.1
KazMunayGas National Co. JSC USD 6.375% Oct 24 2048	1.1
Kaisa Group Holdings Ltd. USD 8.500% Jun 30 2022	1.1
Banco Mercantil del Norte S.A. USD 6.875% Dec 31 2099	1.1
Melco Resorts Finance Ltd. USD 4.875% Jun 6 2025	1.1
Barclays Africa Group Ltd. USD 6.250% Apr 25 2028	1.0
Vedanta Resources Plc. USD 6.375% Jul 30 2022	1.0
Petrobras Global Finance BV USD 4.375% May 20 2023	1.0
CNOOC Finance 2011 Ltd. USD 4.250% Jan 26 2021	1.0
Yingde Gases Investment Ltd. USD 6.250% Jan 19 2023	1.0
Top 25 Holdings	41.6

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.



FIXED-INCOME FUND

BLUEBAY GLOBAL CONVERTIBLE BOND FUND (CANADA)

June 30, 2018

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

Sub-Advisor: BlueBay Asset Management LLP, London, England

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 total returns consisting of interest income and modest capital appreciation by investing primarily in global convertible bonds issued by entities domiciled or carrying out business activities anywhere in the world.

To achieve the Fund's objectives, the sub-advisor conducts detailed credit and equity analysis to identify investment opportunities offering high probabilities of superior rates of return while minimizing the prospect of default.

Results of Operations

The Fund's net asset value was \$1.1 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 1.0%. 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.

Major equity indexes rose at the start of 2018 as investors anticipated that U.S. tax legislation passed late last year would have a positive impact on corporate profitability and, by extension, convertible bonds, which can be swapped for equity. Stocks then declined amid geopolitical risks, trade tensions and rising U.S. interest rates, the last of which generally makes bonds more competitive with equities. Geopolitical risks came to the fore in March as the Trump administration announced plans to impose tariffs on up to US\$60 billion of annual imports from China and China responded with tariffs of its own. Inflation got a boost from oil prices that hit levels not seen since late 2014. Macroeconomic stress in emerging markets increased toward the end of the period, while in Europe, the installation of an Italian government favouring tighter immigration controls and more government spending raised new questions about the future of the Eurozone.

Holdings that had a positive impact on the Fund's performance included Premier Oil, a U.K. oil and gas exploration company. The stock surged amid rising oil prices and higher-than-expected production at a key project. Microchip Technology's stock rose as the semiconductor manufacturer reported fourth-quarter earnings that beat analysts' estimates and revenue climbed. Shares of ON Semiconductor hit an all-time high in March after the company agreed to provide chips for a Baidu venture that is developing self-driving automobiles.

Holdings that had a negative impact on the Fund's performance included Dish Network, whose stock plunged amid higher costs and increased competition. Mitsubishi Chemical Holdings had a negative impact on performance as the company said next year's financial results would be lower than expected. Toray Industries also held back returns after the company reported financial results that missed analysts' estimates.

Recent Developments

The sub-advisor believes that, for now, investors will focus on the solid economic and corporate fundamentals underpinning growth in the global economy. The sub-advisor remains optimistic about the outlook for convertible bonds and believes that they will continue to produce strong risk-adjusted returns.

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.

Sub-Advisor

BlueBay Asset Management LLP is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.

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	Total	
Series A												
June 30, 2018	11.81	0.05	(0.12)	0.23	(0.02)	0.14	—	—	—	—	—	11.93
Dec. 31, 2017	11.73	0.12	(0.25)	0.49	0.08	0.44	—	—	(0.31)	—	(0.31)	11.81
Dec. 31, 2016	11.98	0.12	(0.24)	0.38	(0.39)	(0.13)	—	—	(0.19)	—	(0.19)	11.73
Dec. 31, 2015	11.66	0.14	(0.25)	(0.09)	0.46	0.26	(0.02)	—	—	—	(0.02)	11.98
Dec. 31, 2014	11.27	0.20	(0.24)	0.21	0.26	0.43	—	—	(0.14)	—	(0.14)	11.66
Dec. 31, 2013	10.20	0.25	(0.23)	0.04	1.07	1.13	(0.01)	—	—	—	(0.01)	11.23
Advisor Series												
June 30, 2018	11.80	0.05	(0.12)	0.23	(0.03)	0.13	—	—	—	—	—	11.92
Dec. 31, 2017	11.72	0.12	(0.25)	0.49	0.09	0.45	—	—	(0.31)	—	(0.31)	11.80
Dec. 31, 2016	11.98	0.12	(0.24)	0.38	(0.47)	(0.21)	—	—	(0.19)	—	(0.19)	11.72
Dec. 31, 2015	11.66	0.14	(0.26)	(0.09)	0.46	0.25	(0.02)	—	—	—	(0.02)	11.98
Dec. 31, 2014	11.27	0.21	(0.24)	0.21	0.27	0.45	—	—	(0.14)	—	(0.14)	11.66
Dec. 31, 2013	10.20	0.21	(0.24)	0.04	0.91	0.92	(0.01)	—	—	—	(0.01)	11.23
Advisor T5 Series												
June 30, 2018	10.32	0.05	(0.12)	0.23	(0.05)	0.11	(0.12)	—	—	(0.14)	(0.26)	10.17
Dec. 31, 2017	10.50	0.12	(0.25)	0.49	—	0.36	—	—	(0.24)	(0.28)	(0.52)	10.32
Dec. 31, 2016	11.13	0.12	(0.24)	0.38	(0.30)	(0.04)	—	—	(0.16)	(0.40)	(0.56)	10.50
Dec. 31, 2015	11.36	0.14	(0.26)	(0.09)	0.46	0.25	—	—	—	(0.57)	(0.57)	11.13
Dec. 31, 2014 ³	11.50 [†]	0.21	(0.24)	0.21	0.27	0.45	—	—	—	(0.43)	(0.43)	11.36
Series T5												
June 30, 2018	10.32	0.04	(0.10)	0.20	(0.05)	0.09	(0.09)	—	—	(0.17)	(0.26)	10.16
Dec. 31, 2017	10.49	0.10	(0.21)	0.43	0.15	0.47	—	—	(0.18)	(0.34)	(0.52)	10.32
Dec. 31, 2016	11.12	0.11	(0.22)	0.35	(0.76)	(0.52)	—	—	(0.14)	(0.42)	(0.56)	10.49
Dec. 31, 2015	11.36	0.14	(0.25)	(0.09)	0.43	0.23	—	—	—	(0.57)	(0.57)	11.12
Dec. 31, 2014 ³	11.50 [†]	0.12	(0.17)	0.12	0.16	0.23	—	—	—	(0.43)	(0.43)	11.36
Series H												
June 30, 2018	11.93	0.05	(0.11)	0.23	(0.01)	0.16	—	—	—	—	—	12.07
Dec. 31, 2017	11.83	0.12	(0.22)	0.50	0.18	0.58	—	—	(0.31)	—	(0.31)	11.93
Dec. 31, 2016	12.05	0.12	(0.21)	0.39	(0.34)	(0.04)	—	—	(0.19)	—	(0.19)	11.83
Dec. 31, 2015	11.70	0.15	(0.22)	(0.09)	0.46	0.30	(0.02)	—	—	—	(0.02)	12.05
Dec. 31, 2014	11.29	0.21	(0.21)	0.21	0.27	0.48	(0.01)	—	(0.14)	—	(0.15)	11.70
Dec. 31, 2013	10.19	0.27	(0.20)	0.05	1.14	1.26	(0.02)	—	—	—	(0.02)	11.25



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 D												
June 30, 2018	12.10	0.05	(0.08)	0.23	0.01	0.21	—	—	—	—	—	12.26
Dec. 31, 2017	11.94	0.12	(0.17)	0.50	0.03	0.48	—	—	(0.31)	—	(0.31)	12.10
Dec. 31, 2016	12.11	0.12	(0.16)	0.39	(0.45)	(0.10)	—	—	(0.19)	—	(0.19)	11.94
Dec. 31, 2015	11.72	0.14	(0.17)	(0.09)	0.46	0.34	(0.04)	—	—	—	(0.04)	12.11
Dec. 31, 2014	11.29	0.21	(0.16)	0.21	0.27	0.53	(0.04)	—	(0.14)	—	(0.18)	11.72
Dec. 31, 2013	10.20	0.27	(0.15)	0.05	1.14	1.31	(0.06)	—	—	—	(0.06)	11.25
Series F												
June 30, 2018	12.18	0.05	(0.07)	0.23	(0.03)	0.18	—	—	—	—	—	12.35
Dec. 31, 2017	12.00	0.12	(0.15)	0.51	0.06	0.54	—	—	(0.31)	—	(0.31)	12.18
Dec. 31, 2016	12.15	0.12	(0.15)	0.39	(0.42)	(0.06)	—	—	(0.19)	—	(0.19)	12.00
Dec. 31, 2015	11.75	0.14	(0.16)	(0.09)	0.46	0.35	(0.04)	—	—	—	(0.04)	12.15
Dec. 31, 2014	11.31	0.21	(0.15)	0.21	0.27	0.54	(0.05)	—	(0.14)	—	(0.19)	11.75
Dec. 31, 2013	10.20	0.20	(0.14)	0.03	0.84	0.93	(0.06)	—	—	—	(0.06)	11.28
Series FT5												
June 30, 2018	10.72	0.04	(0.06)	0.20	(0.03)	0.15	(0.12)	—	—	(0.15)	(0.27)	10.60
Dec. 31, 2017	10.81	0.11	(0.13)	0.45	—	0.43	—	—	(0.24)	(0.30)	(0.54)	10.72
Dec. 31, 2016	11.36	0.11	(0.13)	0.36	(0.29)	0.05	—	—	(0.16)	(0.41)	(0.57)	10.81
Dec. 31, 2015	11.49	0.13	(0.14)	(0.09)	0.43	0.33	—	—	—	(0.58)	(0.58)	11.36
Dec. 31, 2014 ³	11.56 [†]	0.12	(0.10)	0.12	0.16	0.30	(0.03)	—	—	(0.40)	(0.43)	11.49
Series I												
June 30, 2018	12.28	0.05	(0.06)	0.24	(0.04)	0.19	—	—	—	—	—	12.47
Dec. 31, 2017	12.07	0.12	(0.12)	0.51	0.09	0.60	(0.01)	—	(0.31)	—	(0.32)	12.28
Dec. 31, 2016	12.20	0.12	(0.12)	0.39	(0.38)	0.01	—	—	(0.19)	—	(0.19)	12.07
Dec. 31, 2015	11.77	0.15	(0.12)	(0.09)	0.46	0.40	(0.05)	—	—	—	(0.05)	12.20
Dec. 31, 2014	11.33	0.21	(0.12)	0.21	0.27	0.57	(0.08)	—	(0.14)	—	(0.22)	11.77
Dec. 31, 2013	10.20	0.20	(0.11)	0.04	0.86	0.99	(0.07)	—	—	—	(0.07)	11.30
Series O												
June 30, 2018	12.53	0.05	(0.01)	0.24	(0.04)	0.24	(0.02)	—	—	—	(0.02)	12.75
Dec. 31, 2017	12.27	0.12	(0.03)	0.52	(0.03)	0.58	(0.04)	(0.01)	(0.32)	—	(0.37)	12.53
Dec. 31, 2016	12.30	0.12	(0.03)	0.40	(0.36)	0.13	—	—	(0.19)	—	(0.19)	12.27
Dec. 31, 2015	11.80	0.15	(0.03)	(0.10)	0.47	0.49	(0.08)	—	—	—	(0.08)	12.30
Dec. 31, 2014	11.33	0.21	(0.03)	0.21	0.27	0.66	(0.15)	—	(0.14)	—	(0.29)	11.80
Dec. 31, 2013	10.20	0.24	(0.02)	0.04	1.04	1.30	(0.15)	—	—	—	(0.15)	11.30

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 April 21, 2014.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	11.93	36 377	3 050	2.03	2.03	74.43	0.01
Dec. 31, 2017	11.81	42 758	3 621	2.02	2.02	76.71	—
Dec. 31, 2016	11.73	54 395	4 637	2.06 ⁴	2.06	83.94	0.01
Dec. 31, 2015	11.98	75 067	6 264	2.09	2.09	108.75	0.06
Dec. 31, 2014	11.66	62 201	5 335	2.10	2.10	126.60	0.02
Dec. 31, 2013	11.27	22 401	1 988	2.13	2.13	161.42	—
Advisor Series							
June 30, 2018	11.92	66 170	5 553	2.05	2.05	74.43	0.01
Dec. 31, 2017	11.80	81 492	6 907	2.05	2.05	76.71	—
Dec. 31, 2016	11.72	112 654	9 610	2.08 ⁴	2.08	83.94	0.01
Dec. 31, 2015	11.98	179 667	14 999	2.10	2.10	108.75	0.06
Dec. 31, 2014	11.66	180 624	15 497	2.11	2.11	126.60	0.02
Dec. 31, 2013	11.27	99 309	8 815	2.16	2.16	161.42	—
Advisor T5 Series							
June 30, 2018	10.17	1 949	192	2.00	2.00	74.43	0.01
Dec. 31, 2017	10.32	2 215	215	2.00	2.00	76.71	—
Dec. 31, 2016	10.50	2 421	231	2.04 ⁴	2.04	83.94	0.01
Dec. 31, 2015	11.13	2 609	235	2.09	2.09	108.75	0.06
Dec. 31, 2014 ⁵	11.36	1 028	91	2.09	2.09	126.60	0.02
Series T5							
June 30, 2018	10.16	326	32	1.96	1.96	74.43	0.01
Dec. 31, 2017	10.32	276	27	1.97	1.97	76.71	—
Dec. 31, 2016	10.49	491	47	2.09 ⁴	2.09	83.94	0.01
Dec. 31, 2015	11.12	1 069	96	2.15	2.15	108.75	0.06
Dec. 31, 2014 ⁵	11.36	708	62	2.16	2.16	126.60	0.02
Series H							
June 30, 2018	12.07	2 067	171	1.78	1.78	74.43	0.01
Dec. 31, 2017	11.93	2 977	249	1.77	1.77	76.71	—
Dec. 31, 2016	11.83	10 849	917	1.83	1.83	83.94	0.01
Dec. 31, 2015	12.05	13 836	1 148	1.82	1.82	108.75	0.06
Dec. 31, 2014	11.70	15 991	1 366	1.84	1.84	126.60	0.02
Dec. 31, 2013	11.29	8 695	770	1.88	1.88	161.42	—
Series D							
June 30, 2018	12.26	4 812	392	1.34	1.34	74.43	0.01
Dec. 31, 2017	12.10	5 659	468	1.35	1.35	76.71	—
Dec. 31, 2016	11.94	4 802	402	1.38 ⁴	1.38	83.94	0.01
Dec. 31, 2015	12.11	6 412	529	1.41	1.41	108.75	0.06
Dec. 31, 2014	11.72	5 075	433	1.41	1.41	126.60	0.02
Dec. 31, 2013	11.29	2 333	207	1.42	1.42	161.42	—
Series F							
June 30, 2018	12.35	193 333	15 655	1.21	1.21	74.43	0.01
Dec. 31, 2017	12.18	203 368	16 701	1.21	1.21	76.71	—
Dec. 31, 2016	12.00	258 593	21 553	1.25 ⁴	1.25	83.94	0.01
Dec. 31, 2015	12.15	345 899	28 460	1.28	1.28	108.75	0.06
Dec. 31, 2014	11.75	245 520	20 891	1.28	1.28	126.60	0.02
Dec. 31, 2013	11.31	104 248	9 214	1.28	1.28	161.42	—



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	10.60	5 484	517	1.19	1.19	74.43	0.01
Dec. 31, 2017	10.72	5 543	517	1.20	1.20	76.71	—
Dec. 31, 2016	10.81	6 263	579	1.24 ⁴	1.24	83.94	0.01
Dec. 31, 2015	11.36	6 573	579	1.22	1.22	108.75	0.06
Dec. 31, 2014 ⁵	11.49	1 277	111	1.24	1.24	126.60	0.02
Series I							
June 30, 2018	12.47	30 645	2 458	0.98	0.98	74.43	0.01
Dec. 31, 2017	12.28	36 027	2 934	0.99	0.99	76.71	—
Dec. 31, 2016	12.07	57 679	4 777	0.99	0.99	83.94	0.01
Dec. 31, 2015	12.20	79 878	6 548	1.00	1.00	108.75	0.06
Dec. 31, 2014	11.77	63 395	5 385	1.01	1.01	126.60	0.02
Dec. 31, 2013	11.33	39 792	3 511	0.98	0.98	161.42	—
Series O							
June 30, 2018	12.75	732 132	57 430	0.22	0.22	74.43	0.01
Dec. 31, 2017	12.53	706 189	56 374	0.22	0.22	76.71	—
Dec. 31, 2016	12.27	580 047	47 293	0.22	0.22	83.94	0.01
Dec. 31, 2015	12.30	651 563	52 987	0.22	0.22	108.75	0.06
Dec. 31, 2014	11.80	495 425	41 995	0.22	0.22	126.60	0.02
Dec. 31, 2013	11.33	192 259	16 966	0.22	0.22	161.42	—

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, Advisor T5 Series, Series T5, Series D, Series F and Series FT5 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 – 2.03%, Advisor Series – 2.05%, Advisor T5 Series – 2.02%, Series T5 – 2.06%, Series D – 1.35%, Series F – 1.22% and Series FT5 – 1.21%.

⁵ From April 21, 2014.

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	1.65%	44%	56%
Advisor Series	1.65%	44%	56%
Advisor T5 Series	1.65%	44%	56%
Series T5	1.65%	44%	56%
Series H	1.45%	52%	48%
Series D	1.05%	14%	86%
Series F	0.90%	—	100%
Series FT5	0.90%	—	100%
Series I	0.70%	—	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.

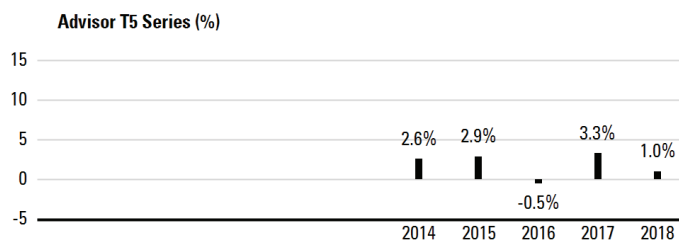
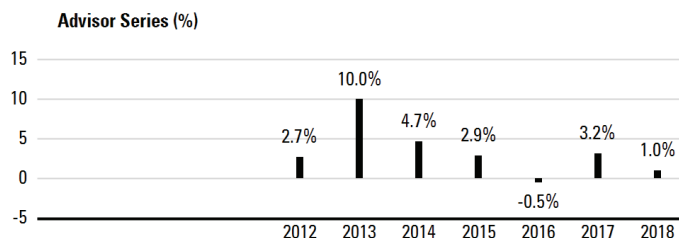
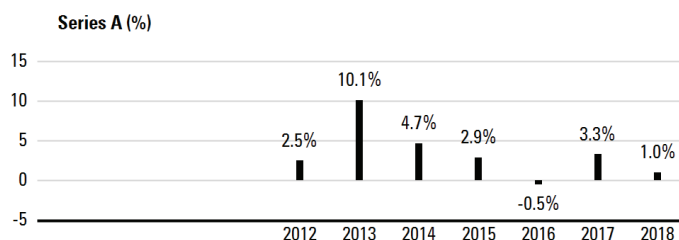


PAST PERFORMANCE

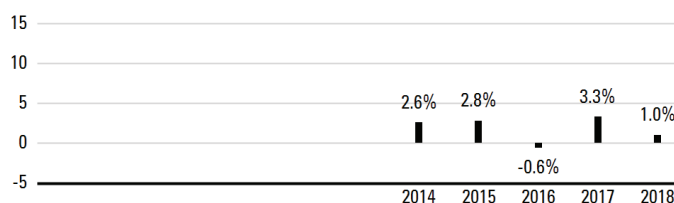
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

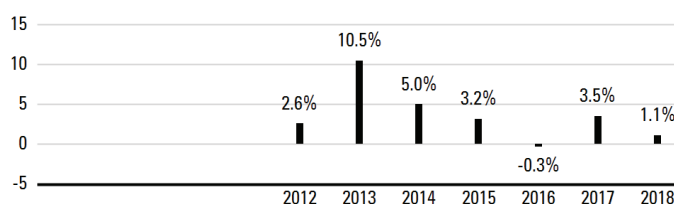
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



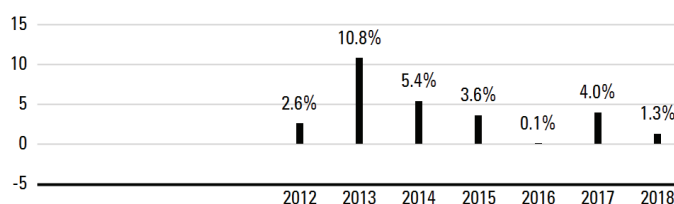
Series T5 (%)



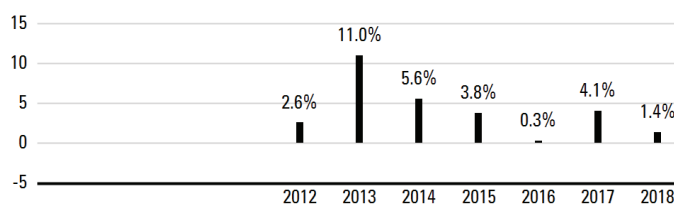
Series H (%)



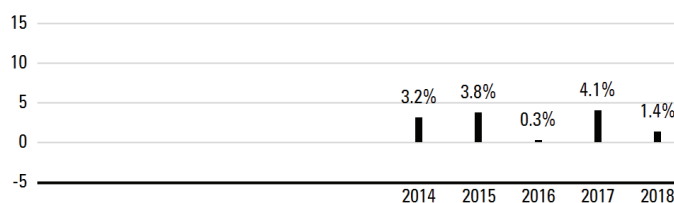
Series D (%)



Series F (%)

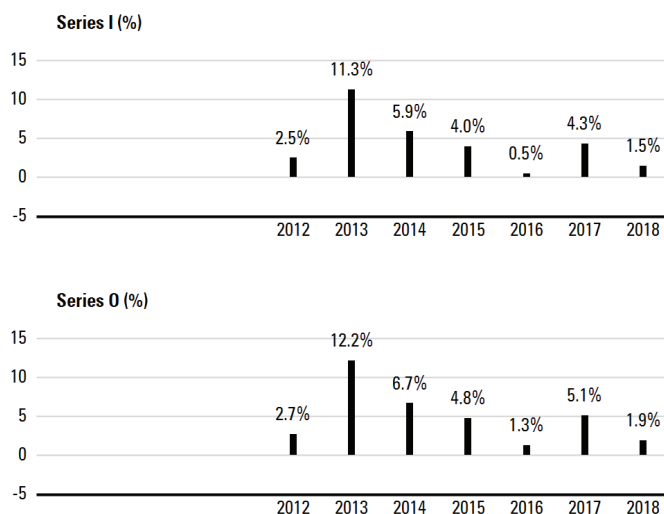


Series FT5 (%)





PAST PERFORMANCE (cont.)



Advisor T5 Series, Series T5 and Series FT5 units have been available for sale to unitholders since April 21, 2014, and Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O units since November 26, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

Series H and Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016.

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
United States	31.1
Japan	15.3
China	14.2
Germany	5.6
United Kingdom	3.2
France	2.2
Hong Kong	2.2
Norway	2.2
Malaysia	2.1
Netherlands	1.9
Singapore	1.3
Taiwan	1.2
South Africa	0.6
Other Countries	7.6
Cash/Other	9.3

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	8.5
Microchip Technology Inc., Convertible 1.625% Feb 15 2027	2.0
Tesla Inc., Convertible 1.250% Jan 3 2021	1.9
Shanghai Port Group BVI Holding Co. Ltd., Convertible USD 0.000% Aug 9 2021	1.8
Ctrip.com International Ltd., Convertible USD 1.990% Jul 1 2025	1.7
Deutsche Wohnen SE, Convertible EUR 0.325% Jul 26 2024	1.6
China Evergrande Group, Convertible HKD 4.250% Feb 14 2023	1.5
Kansai Paint Co. Ltd., Convertible JPY 0.000% Jun 17 2022	1.3
Morgan Stanley Finance LLC, Convertible EUR 0.000% Dec 17 2021	1.3
China Railway Construction Corp. Ltd., Convertible CNY 1.500% Dec 21 2021	1.3
Harvest International Co., Convertible HKD 0.000% Nov 21 2022	1.3
Square Inc., Convertible 0.500% May 15 2023	1.3
Mitsubishi Chemical Holdings Corp., Convertible JPY 0.000% Mar 29 2024	1.2
Cahaya Capital Ltd., Convertible USD 0.000% Sep 18 2021	1.2
Sika AG, Convertible CHF 0.150% Jun 5 2025	1.2
CRRC Corp Ltd., Convertible USD 0.000% Feb 5 2021	1.2
DISH Network Corp., Convertible 3.375% Aug 15 2026	1.2
Akamai Technologies Inc., Convertible 0.125% May 1 2025	1.1
Toray Industries Inc., Convertible JPY 0.000% Aug 31 2021	1.1
Herbalife Nutrition Ltd., Convertible USD 2.000% Aug 15 2019	1.1
Kawasaki Kisen Kaisha Ltd., Convertible JPY 0.000% Sep 26 2018	1.0
Bagan Capital Ltd., Convertible USD 0.000% Sep 23 2021	1.0
Dycom Industries Inc., Convertible 0.750% Sep 15 2021	1.0
Atlassian Inc., Convertible 0.625% May 1 2023	1.0
The S&P 500 Mini Index Future, September 2018	(3.7)
Top 25 Holdings	35.1

The Fund may use futures contracts as an asset substitution or as a way to reduce interest-rate risk.

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.



FIXED-INCOME FUND

**BLUEBAY \$U.S. GLOBAL CONVERTIBLE
BOND FUND (CANADA)**

June 30, 2018

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

Sub-Advisor: BlueBay Asset Management LLP, London, England

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 (in USD)

Investment Objective and Strategies

The Fund seeks to provide U.S. dollar total returns consisting of interest income and modest capital appreciation by investing primarily in global convertible bonds issued by entities domiciled or carrying out business activities anywhere in the world.

To achieve the Fund's objectives, the sub-advisor conducts detailed credit and equity analysis to identify investment opportunities offering high probabilities of superior rates of return while minimizing the prospect of default.

Results of Operations

The Fund's net asset value was \$44 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.8%. 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.

Major equity indexes rose at the start of 2018 as investors anticipated that U.S. tax legislation passed late last year would have a positive impact on corporate profitability and, by extension, convertible bonds, which can be swapped for equity. Stocks then declined amid geopolitical risks, trade tensions and rising U.S. interest rates, the last of which generally makes bonds more competitive with equities. Geopolitical risks came to the fore in March as the Trump administration announced plans to impose tariffs on up to US\$60 billion of annual imports from China and China responded with tariffs of its own. Inflation got a boost from oil prices that hit levels not seen since late 2014. Macroeconomic stress in emerging markets increased toward the end of the period, while in Europe, the installation of an Italian government favouring tighter immigration controls and more government spending raised new questions about the future of the Eurozone.

Holdings that had a positive impact on the Fund's performance included Premier Oil, a U.K. oil and gas exploration company. The stock surged amid rising oil prices and higher-than-expected production at a key project. Microchip Technology's stock rose as the semiconductor manufacturer reported fourth-quarter earnings that beat analysts' estimates and revenue climbed. Shares of ON Semiconductor hit an all-time high in March after the company agreed to provide chips for a Baidu venture that is developing self-driving automobiles.

Holdings that had a negative impact on the Fund's performance included Dish Network, whose stock plunged amid higher costs and increased competition. Mitsubishi Chemical Holdings had a negative impact on performance as the company said next year's financial results would be lower than expected. Toray Industries also held back returns after the company reported financial results that missed analysts' estimates.

Recent Developments

The sub-advisor believes that, for now, investors will focus on the solid economic and corporate fundamentals underpinning growth in the global economy. The sub-advisor remains optimistic about the outlook for convertible bonds and believes that they will continue to produce strong risk-adjusted returns.

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.

Sub-Advisor

BlueBay Asset Management LLP is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.

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 (in USD)

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	Total		
Series A													
June 30, 2018	10.03	0.02	(0.10)	0.52	(0.41)	0.03	—	—	—	—	—	10.11	
Dec. 31, 2017	9.71	0.07	(0.21)	(0.08)	0.42	0.20	—	—	—	—	—	10.03	
Dec. 31, 2016	9.75	0.02	(0.19)	(0.05)	0.30	0.08	—	—	(0.10)	—	(0.10)	9.71	
Dec. 31, 2015 ³	10.00 [†]	0.01	(0.14)	0.21	(0.27)	(0.19)	—	—	—	—	—	9.75	
Advisor Series													
June 30, 2018	10.02	0.02	(0.10)	0.52	(0.35)	0.09	—	—	—	—	—	10.10	
Dec. 31, 2017	9.70	0.07	(0.21)	(0.09)	0.67	0.44	—	—	—	—	—	10.02	
Dec. 31, 2016	9.75	0.02	(0.19)	(0.04)	0.04	(0.17)	—	—	(0.11)	—	(0.11)	9.70	
Dec. 31, 2015 ³	10.00 [†]	0.01	(0.14)	0.19	(0.25)	(0.19)	—	—	—	—	—	9.75	
Advisor T5 Series													
June 30, 2018	8.81	0.02	(0.10)	0.52	(0.37)	0.07	—	—	—	(0.22)	(0.22)	8.65	
Dec. 31, 2017	8.96	0.07	(0.21)	(0.09)	0.52	0.29	—	—	—	(0.45)	(0.45)	8.81	
Dec. 31, 2016	9.38	0.02	(0.19)	(0.04)	0.26	0.05	—	—	(0.13)	(0.34)	(0.47)	8.96	
Dec. 31, 2015 ³	10.00 [†]	0.01	(0.14)	0.19	(0.25)	(0.19)	(0.38)	—	—	—	(0.38)	9.38	
Series T5													
June 30, 2018	8.81	0.02	(0.09)	0.45	(0.32)	0.06	—	—	—	(0.22)	(0.22)	8.66	
Dec. 31, 2017	8.96	0.06	(0.19)	(0.08)	0.50	0.29	—	—	—	(0.45)	(0.45)	8.81	
Dec. 31, 2016	9.38	0.02	(0.18)	(0.04)	0.25	0.05	—	—	(0.13)	(0.34)	(0.47)	8.96	
Dec. 31, 2015 ³	10.00 [†]	0.01	(0.15)	0.23	(0.30)	(0.21)	(0.38)	—	—	—	(0.38)	9.38	
Series D													
June 30, 2018	10.19	0.02	(0.07)	0.53	(0.37)	0.11	—	—	—	—	—	10.30	
Dec. 31, 2017	9.79	0.07	(0.14)	(0.08)	0.53	0.38	—	—	—	—	—	10.19	
Dec. 31, 2016	9.79	0.02	(0.14)	(0.04)	0.20	0.04	—	—	(0.11)	—	(0.11)	9.79	
Dec. 31, 2015 ³	10.00 [†]	0.01	(0.09)	0.17	(0.23)	(0.14)	(0.01)	—	—	—	(0.01)	9.79	
Series F													
June 30, 2018	10.23	0.02	(0.06)	0.53	(0.39)	0.10	—	—	—	—	—	10.35	
Dec. 31, 2017	9.82	0.07	(0.12)	(0.09)	0.55	0.41	(0.01)	—	—	—	(0.01)	10.23	
Dec. 31, 2016	9.80	0.02	(0.12)	(0.05)	0.59	0.44	—	—	(0.11)	—	(0.11)	9.82	
Dec. 31, 2015 ³	10.00 [†]	0.01	(0.09)	0.19	(0.25)	(0.14)	(0.01)	—	—	—	(0.01)	9.80	
Series FT5													
June 30, 2018	9.01	0.02	(0.05)	0.46	(0.31)	0.12	—	—	—	(0.23)	(0.23)	8.89	
Dec. 31, 2017	9.08	0.07	(0.11)	(0.08)	0.48	0.36	—	—	—	(0.46)	(0.46)	9.01	
Dec. 31, 2016	9.43	0.02	(0.11)	(0.04)	0.46	0.33	—	—	(0.12)	(0.35)	(0.47)	9.08	
Dec. 31, 2015 ³	10.00 [†]	0.01	(0.10)	0.19	(0.24)	(0.14)	(0.38)	—	—	—	(0.38)	9.43	



FINANCIAL HIGHLIGHTS (in USD) (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	Total	
Series O												
June 30, 2018	10.45	0.02	(0.01)	0.54	(0.33)	0.22	(0.01)	—	—	—	(0.01)	10.62
Dec. 31, 2017	9.97	0.07	(0.02)	(0.08)	0.45	0.42	(0.03)	(0.01)	—	—	(0.04)	10.45
Dec. 31, 2016	9.84	0.02	(0.02)	(0.05)	0.33	0.28	—	—	(0.11)	—	(0.11)	9.97
Dec. 31, 2015 ³	10.00 [†]	0.01	(0.02)	0.22	(0.29)	(0.08)	(0.04)	—	—	—	(0.04)	9.84

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 March 19, 2015.

[†] 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	10.11	1 139	113	2.05	2.05	85.40	0.01
Dec. 31, 2017	10.03	915	91	2.04	2.04	54.00	—
Dec. 31, 2016	9.71	479	49	1.99 ⁴	2.00	94.43	0.01
Dec. 31, 2015 ⁵	9.75	644	66	2.02	2.03	39.32	0.03
Advisor Series							
June 30, 2018	10.10	61	6	2.10	2.10	85.40	0.01
Dec. 31, 2017	10.02	71	7	2.06	2.06	54.00	—
Dec. 31, 2016	9.70	149	15	2.03 ⁴	2.03	94.43	0.01
Dec. 31, 2015 ⁵	9.75	728	75	2.03	2.04	39.32	0.03
Advisor T5 Series							
June 30, 2018	8.65	1	—	1.94	1.94	85.40	0.01
Dec. 31, 2017	8.81	1	—	1.94	1.94	54.00	—
Dec. 31, 2016	8.96	1	—	1.95 ⁴	1.96	94.43	0.01
Dec. 31, 2015 ⁵	9.38	1	—	2.00	2.01	39.32	0.03
Series T5							
June 30, 2018	8.66	7	1	1.94	1.94	85.40	0.01
Dec. 31, 2017	8.81	1	—	1.94	1.94	54.00	—
Dec. 31, 2016	8.96	1	—	1.95 ⁴	1.96	94.43	0.01
Dec. 31, 2015 ⁵	9.38	1	—	2.00	2.01	39.32	0.03
Series D							
June 30, 2018	10.30	6	1	1.41	1.41	85.40	0.01
Dec. 31, 2017	10.19	5	1	1.41	1.41	54.00	—
Dec. 31, 2016	9.79	5	—	1.41 ⁴	1.42	94.43	0.01
Dec. 31, 2015 ⁵	9.79	22	2	1.37	1.38	39.32	0.03
Series F							
June 30, 2018	10.35	4 654	449	1.19	1.19	85.40	0.01
Dec. 31, 2017	10.23	4 216	412	1.18	1.18	54.00	—
Dec. 31, 2016	9.82	4 473	455	1.22 ⁴	1.23	94.43	0.01
Dec. 31, 2015 ⁵	9.80	2 983	304	1.26	1.27	39.32	0.03



FINANCIAL HIGHLIGHTS (in USD) (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	8.89	59	7	1.16	1.16	85.40	0.01
Dec. 31, 2017	9.01	60	7	1.15	1.15	54.00	—
Dec. 31, 2016	9.08	51	6	1.17 ⁴	1.18	94.43	0.01
Dec. 31, 2015 ⁵	9.43	26	3	1.21	1.22	39.32	0.03
Series O							
June 30, 2018	10.62	38 058	3 582	0.22	0.22	85.40	0.01
Dec. 31, 2017	10.45	50 533	4 834	0.22	0.22	54.00	—
Dec. 31, 2016	9.97	24 176	2 426	0.22	0.22	94.43	0.01
Dec. 31, 2015 ⁵	9.84	21 236	2 157	0.22	0.23	39.32	0.03

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, Advisor T5 Series, Series T5, Series D, Series F and Series FT5 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 – 1.97%, Advisor Series – 1.99%, Advisor T5 Series – 1.94%, Series T5 – 1.94%, Series D – 1.41%, Series F – 1.20% and Series FT5 – 1.16%.

⁵ From March 19, 2015.

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	1.65%	44%	56%
Advisor Series	1.65%	44%	56%
Advisor T5 Series	1.65%	44%	56%
Series T5	1.65%	44%	56%
Series D	1.05%	14%	86%
Series F	0.90%	—	100%
Series FT5	0.90%	—	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 (in USD)

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 A, Advisor Series, Advisor T5 Series, Series T5, Series D, Series F, Series FT5 and Series O units have been available for sale to unitholders since April 20, 2015.

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 (in USD)

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
United States	27.9
Japan	16.9
China	13.0
Germany	5.5
Malaysia	3.0
United Kingdom	2.9
Hong Kong	2.7
Norway	2.4
France	2.3
Singapore	2.0
Netherlands	1.6
Taiwan	1.5
United Arab Emirates	1.5
Philippines	1.4
South Africa	0.3
Other Countries	6.9
Cash/Other	8.2

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	7.6
Microchip Technology Inc., Convertible 1.625% Feb 15 2025	2.5
Ctrip.com International Ltd., Convertible USD 1.990% Jul 1 2025	2.3
Cahaya Capital Ltd., Convertible USD 0.000% Sep 18 2021	2.1
Tesla Inc., Convertible 1.250% Jan 3 2021	2.0
China Evergrande Group, Convertible HKD 4.250% Feb 14 2023	1.8
Akamai Technologies Inc., Convertible 0.000% Feb 15 2019	1.7
Mitsubishi Chemical Holdings Corp., Convertible JPY 0.000% Mar 29 2024	1.7
CRRC Corp Ltd., Convertible USD 0.000% Feb 5 2021	1.7
Sika AG, Convertible CHF 0.150% Jun 5 2025	1.6
CapitaLand Ltd., Convertible SGD 2.800% Jun 8 2025	1.6
Shanghai Port Group BVI Holding Co. Ltd., Convertible USD 0.000% Aug 9 2021	1.5
Deutsche Wohnen SE, Convertible EUR 0.325% Jul 26 2024	1.5
AYC Finance Ltd., Convertible USD 0.500% May 2 2019	1.4
Morgan Stanley Finance LLC, Convertible EUR 0.000% Dec 17 2021	1.3
Kyushu Electric Power Co. Inc., Convertible JPY 0.000% Mar 31 2022	1.3
Kansai Paint Co. Ltd., Convertible JPY 0.000% Jun 17 2022	1.3
DISH Network Corp., Convertible 3.375% Aug 15 2026	1.3
FireEye Inc., Convertible 1.625% Jun 1 2035	1.3
Harvest International Co., Convertible HKD 0.000% Nov 21 2022	1.2
Toray Industries Inc., Convertible JPY 0.000% Aug 31 2021	1.2
Exact Sciences Corp., Convertible 1.000% Jan 15 2025	1.2
Dycom Industries Inc., Convertible 0.750% Sep 15 2021	1.1
Herbalife Nutrition Ltd., Convertible USD 2.000% Aug 15 2019	1.1
The S&P 500 Mini Index Future, September 2018	(4.0)
Top 25 Holdings	39.3

The Fund may use futures contracts as an asset substitution or as a way to reduce interest-rate risk.

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.



MANAGED PAYOUT SOLUTION

RBC MANAGED PAYOUT SOLUTION

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 relatively high, regular monthly distributions that are comparatively tax efficient with a potential for modest capital appreciation by investing primarily in units of other funds managed by RBC GAM or an affiliate of RBC GAM (called “underlying funds”).

The decision to invest in an underlying fund is based on the portfolio manager’s assessment of the market outlook and the underlying fund’s ability to help the Fund meet its stated investment objectives. Distributions should come primarily from interest income but will also consist of dividends, capital gains and return of capital.

The Fund’s target weightings for each asset class are 75% for fixed income and 25% for equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting.

Results of Operations

The Fund’s net asset value was \$3.6 billion as of June 30, 2018.

Over the past six months, the Fund’s Series A units lost 0.2%. 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.

The Fund made monthly distributions of 3.75 cents per Series A unit in the first half of 2018.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund’s overweight position in equities and underweight position in fixed income had a positive impact on performance. Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the RBC Global Corporate Bond Fund and the RBC Global High Yield Bond Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund and the RBC QUBE U.S. Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight fixed income but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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.

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	Total	
Series A												
June 30, 2018	9.02	0.13	(0.07)	0.04	(0.13)	(0.03)	(0.02)	(0.06)	—	(0.14)	(0.22)	8.78
Dec. 31, 2017	9.13	0.26	(0.14)	0.16	0.06	0.34	(0.05)	(0.06)	(0.07)	(0.28)	(0.46)	9.02
Dec. 31, 2016	8.97	0.28	(0.14)	0.10	0.37	0.61	(0.05)	(0.08)	(0.02)	(0.30)	(0.45)	9.13
Dec. 31, 2015	9.49	0.31	(0.15)	0.23	(0.45)	(0.06)	(0.08)	(0.07)	(0.21)	(0.11)	(0.47)	8.97
Dec. 31, 2014	9.35	0.31	(0.15)	0.27	0.17	0.60	(0.08)	(0.07)	(0.19)	(0.13)	(0.47)	9.49
Dec. 31, 2013	9.43	0.36	(0.15)	0.09	0.09	0.39	(0.09)	(0.07)	(0.05)	(0.26)	(0.47)	9.35
Advisor Series												
June 30, 2018	9.02	0.13	(0.07)	0.04	(0.12)	(0.02)	(0.02)	(0.06)	—	(0.14)	(0.22)	8.78
Dec. 31, 2017	9.14	0.26	(0.14)	0.16	0.06	0.34	(0.05)	(0.06)	(0.07)	(0.28)	(0.46)	9.02
Dec. 31, 2016	8.97	0.28	(0.14)	0.10	0.37	0.61	(0.05)	(0.08)	(0.02)	(0.30)	(0.45)	9.14
Dec. 31, 2015	9.49	0.31	(0.15)	0.23	(0.45)	(0.06)	(0.08)	(0.07)	(0.21)	(0.11)	(0.47)	8.97
Dec. 31, 2014	9.35	0.31	(0.15)	0.27	0.17	0.60	(0.08)	(0.07)	(0.19)	(0.13)	(0.47)	9.49
Dec. 31, 2013	9.42	0.36	(0.15)	0.09	0.09	0.39	(0.10)	(0.07)	(0.05)	(0.25)	(0.47)	9.35
Series F												
June 30, 2018	9.83	0.15	(0.03)	0.04	(0.11)	0.05	(0.03)	(0.07)	—	(0.15)	(0.25)	9.61
Dec. 31, 2017	9.86	0.29	(0.07)	0.17	0.05	0.44	(0.05)	(0.07)	(0.07)	(0.30)	(0.49)	9.83
Dec. 31, 2016	9.59	0.31	(0.07)	0.11	0.24	0.59	(0.05)	(0.09)	(0.02)	(0.32)	(0.48)	9.86
Dec. 31, 2015	10.06	0.33	(0.07)	0.25	(0.48)	0.03	(0.08)	(0.08)	(0.22)	(0.12)	(0.50)	9.59
Dec. 31, 2014	9.82	0.32	(0.07)	0.29	0.18	0.72	(0.08)	(0.07)	(0.20)	(0.14)	(0.49)	10.06
Dec. 31, 2013	9.82	0.37	(0.07)	0.09	0.09	0.48	(0.10)	(0.07)	(0.05)	(0.27)	(0.49)	9.82

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.



FINANCIAL HIGHLIGHTS (cont.)

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	8.78	2 983 880	339 987	1.62	1.62	2.02	0.02
Dec. 31, 2017	9.02	3 338 445	370 180	1.63	1.63	1.02	0.02
Dec. 31, 2016	9.13	3 580 066	391 974	1.63	1.63	5.31	0.04
Dec. 31, 2015	8.97	3 896 066	434 539	1.63	1.63	16.69	0.05
Dec. 31, 2014	9.49	4 203 115	442 864	1.63	1.63	24.84	0.04
Dec. 31, 2013	9.35	3 797 151	406 197	1.63	1.63	11.46	0.02
Advisor Series							
June 30, 2018	8.78	32 197	3 666	1.61	1.61	2.02	0.02
Dec. 31, 2017	9.02	37 375	4 142	1.62	1.62	1.02	0.02
Dec. 31, 2016	9.14	36 644	4 011	1.62	1.62	5.31	0.04
Dec. 31, 2015	8.97	34 598	3 858	1.61	1.61	16.69	0.05
Dec. 31, 2014	9.49	42 609	4 489	1.61	1.61	24.84	0.04
Dec. 31, 2013	9.35	39 131	4 187	1.62	1.62	11.46	0.02
Series F							
June 30, 2018	9.61	577 763	60 147	0.74	0.74	2.02	0.02
Dec. 31, 2017	9.83	440 025	44 775	0.74	0.74	1.02	0.02
Dec. 31, 2016	9.86	190 117	19 277	0.73	0.73	5.31	0.04
Dec. 31, 2015	9.59	40 805	4 254	0.73	0.73	16.69	0.05
Dec. 31, 2014	10.06	27 427	2 726	0.73	0.73	24.84	0.04
Dec. 31, 2013	9.82	14 996	1 527	0.74	0.74	11.46	0.02

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 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 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.



FINANCIAL HIGHLIGHTS (cont.)

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 management fee payable in respect of each of Series A and Advisor Series units of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A and Advisor Series units is 1.55%.

The management fee payable to RBC GAM in respect of Series F units of the Fund is a fixed fee and the MER of Series F units comprises the management fee, administration fee, taxes, other fund costs and any fees and expenses of the underlying funds.

The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

	Management Fees*	Breakdown of Services	
		Distribution	Other†
Series A	1.40%	54%	46%
Advisor Series	1.40%	54%	46%
Series F	0.60%	—	100%

* Management fees for Series A and Advisor Series units represent the actual average management fee rate for the period ended June 30, 2018.

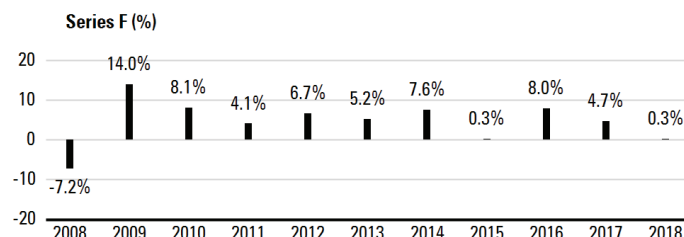
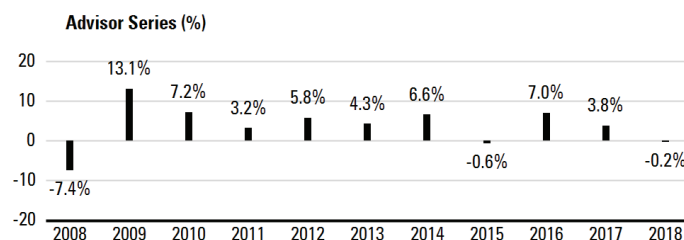
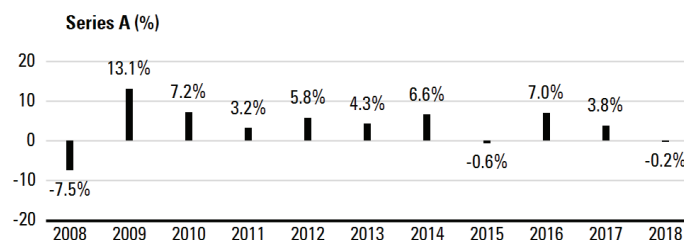
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

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 F units have been available for sale to unitholders since July 2, 2008.

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
Income Funds	77.4
Canadian Equity Funds	15.5
United States Equity Funds	6.6
Cash/Other	0.5

Top 25 Holdings*

	% of Net Asset Value
RBC Bond Fund	20.7
RBC Global Corporate Bond Fund	19.3
RBC Canadian Short-Term Income Fund	17.3
RBC Monthly Income Fund	15.2
Phillips, Hager & North Canadian Income Fund	8.0
RBC Canadian Dividend Fund	7.5
RBC Global High Yield Bond Fund	4.8
RBC QUBE U.S. Equity Fund	3.3
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	3.3
Cash & Cash Equivalents	0.6
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



MANAGED PAYOUT SOLUTION

**RBC MANAGED PAYOUT SOLUTION –
ENHANCED**

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 relatively high, regular monthly distributions that are comparatively tax efficient with a potential for modest capital appreciation by investing primarily in units of other funds managed by RBC GAM or an affiliate of RBC GAM (called “underlying funds”).

The decision to invest in an underlying fund is based on the portfolio manager’s assessment of the market outlook and the underlying fund’s ability to help the Fund meet its stated investment objectives. Distributions will include interest income, dividends, capital gains and may also consist of return of capital.

The Fund’s target weightings for each asset class are 65% for fixed income and 35% for equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting.

Results of Operations

The Fund’s net asset value was \$2.6 billion as of June 30, 2018.

Over the past six months, the Fund’s Series A units were unchanged. 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.

The Fund made monthly distributions of 4.25 cents per Series A unit in the first half of 2018.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund’s overweight position in equities and underweight position in fixed income had a positive impact on performance. Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the RBC Global High Yield Bond Fund and the RBC Global Corporate Bond Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund and the RBC QUBE U.S. Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight fixed income but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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.

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	Total	
Series A												
June 30, 2018	8.55	0.13	(0.07)	0.03	(0.11)	(0.02)	(0.02)	(0.08)	—	(0.16)	(0.26)	8.29
Dec. 31, 2017	8.66	0.27	(0.15)	0.18	0.11	0.41	(0.03)	(0.08)	(0.09)	(0.32)	(0.52)	8.55
Dec. 31, 2016	8.47	0.27	(0.15)	0.11	0.46	0.69	(0.03)	(0.09)	(0.02)	(0.37)	(0.51)	8.66
Dec. 31, 2015	9.08	0.31	(0.16)	0.26	(0.47)	(0.06)	(0.05)	(0.09)	(0.25)	(0.16)	(0.55)	8.47
Dec. 31, 2014	9.11	0.34	(0.17)	0.57	(0.15)	0.59	(0.04)	(0.09)	(0.53)	—	(0.66)	9.08
Dec. 31, 2013	9.12	0.39	(0.16)	0.10	0.22	0.55	(0.09)	(0.09)	(0.06)	(0.31)	(0.55)	9.11
Advisor Series												
June 30, 2018	8.54	0.13	(0.07)	0.03	(0.10)	(0.01)	(0.02)	(0.08)	—	(0.16)	(0.26)	8.28
Dec. 31, 2017	8.65	0.27	(0.16)	0.18	0.12	0.41	(0.03)	(0.08)	(0.09)	(0.32)	(0.52)	8.54
Dec. 31, 2016	8.46	0.27	(0.16)	0.11	0.48	0.70	(0.03)	(0.09)	(0.02)	(0.37)	(0.51)	8.65
Dec. 31, 2015	9.08	0.31	(0.16)	0.26	(0.47)	(0.06)	(0.05)	(0.09)	(0.25)	(0.16)	(0.55)	8.46
Dec. 31, 2014	9.11	0.34	(0.17)	0.57	(0.15)	0.59	(0.04)	(0.09)	(0.53)	—	(0.66)	9.08
Dec. 31, 2013	9.12	0.39	(0.17)	0.10	0.22	0.54	(0.09)	(0.09)	(0.06)	(0.31)	(0.55)	9.11
Series F												
June 30, 2018	9.46	0.14	(0.03)	0.03	(0.07)	0.07	(0.02)	(0.09)	—	(0.18)	(0.29)	9.22
Dec. 31, 2017	9.48	0.29	(0.07)	0.20	0.13	0.55	(0.03)	(0.09)	(0.10)	(0.35)	(0.57)	9.46
Dec. 31, 2016	9.17	0.30	(0.07)	0.12	0.43	0.78	(0.03)	(0.09)	(0.03)	(0.40)	(0.55)	9.48
Dec. 31, 2015	9.73	0.33	(0.07)	0.28	(0.51)	0.03	(0.05)	(0.10)	(0.26)	(0.17)	(0.58)	9.17
Dec. 31, 2014	9.65	0.36	(0.07)	0.60	(0.16)	0.73	(0.04)	(0.09)	(0.56)	—	(0.69)	9.73
Dec. 31, 2013	9.55	0.41	(0.07)	0.11	0.23	0.68	(0.09)	(0.09)	(0.06)	(0.33)	(0.57)	9.65

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.



FINANCIAL HIGHLIGHTS (cont.)

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	8.29	1 800 989	217 307	1.83	1.83	6.03	0.02
Dec. 31, 2017	8.55	2 032 913	237 806	1.83	1.83	6.18	0.02
Dec. 31, 2016	8.66	2 154 476	248 761	1.83	1.83	9.48	0.04
Dec. 31, 2015	8.47	2 368 445	279 628	1.83	1.83	25.56	0.05
Dec. 31, 2014	9.08	2 527 241	278 313	1.83	1.83	46.60	0.05
Dec. 31, 2013	9.11	2 134 517	234 227	1.83	1.83	13.58	0.03
Advisor Series							
June 30, 2018	8.28	22 295	2 694	1.85	1.85	6.03	0.02
Dec. 31, 2017	8.54	23 801	2 788	1.85	1.85	6.18	0.02
Dec. 31, 2016	8.65	23 433	2 708	1.85	1.85	9.48	0.04
Dec. 31, 2015	8.46	23 728	2 804	1.85	1.85	25.56	0.05
Dec. 31, 2014	9.08	26 017	2 867	1.85	1.85	46.60	0.05
Dec. 31, 2013	9.11	24 065	2 642	1.85	1.85	13.58	0.03
Series F							
June 30, 2018	9.22	736 096	79 871	0.79	0.79	6.03	0.02
Dec. 31, 2017	9.46	549 460	58 086	0.80	0.80	6.18	0.02
Dec. 31, 2016	9.48	199 477	21 039	0.80	0.80	9.48	0.04
Dec. 31, 2015	9.17	19 881	2 167	0.78	0.78	25.56	0.05
Dec. 31, 2014	9.73	25 796	2 652	0.78	0.78	46.60	0.05
Dec. 31, 2013	9.65	9 643	999	0.80	0.80	13.58	0.03

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 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 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.



FINANCIAL HIGHLIGHTS (cont.)

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 management fee payable in respect of each of Series A and Advisor Series units of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A and Advisor Series units is 1.75%.

The management fee payable to RBC GAM in respect of Series F units of the Fund is a fixed fee and the MER of Series F units comprises the management fee, administration fee, taxes, other fund costs and any fees and expenses of the underlying funds.

The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

	Management Fees*	Breakdown of Services	
		Distribution	Other†
Series A	1.59%	53%	47%
Advisor Series	1.59%	53%	47%
Series F	0.65%	—	100%

* Management fees for Series A and Advisor Series units represent the actual average management fee rate for the period ended June 30, 2018.

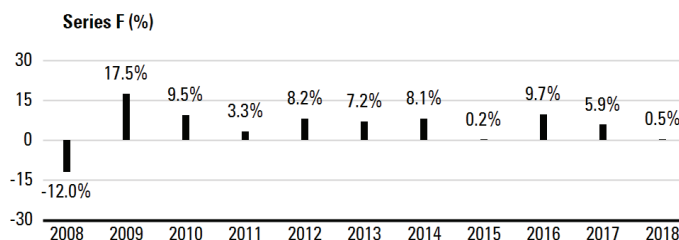
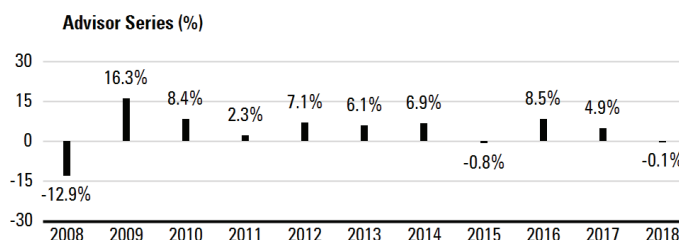
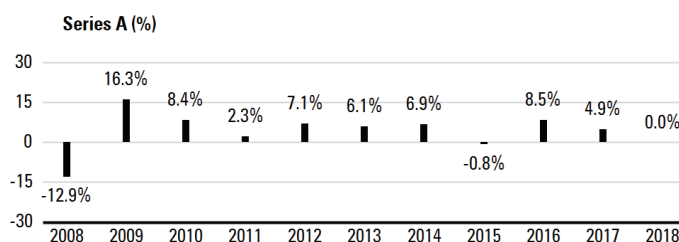
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

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 F units have been available for sale to unitholders since July 2, 2008.

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
Income Funds	60.3
Canadian Equity Funds	27.5
United States Equity Funds	11.7
Cash/Other	0.5

Top 25 Holdings*

	% of Net Asset Value
RBC Bond Fund	24.0
RBC Canadian Dividend Fund	16.5
RBC Global High Yield Bond Fund	14.2
RBC Canadian Short-Term Income Fund	12.4
RBC Global Corporate Bond Fund	9.6
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	5.9
RBC QUBE U.S. Equity Fund	5.8
RBC Canadian Equity Income Fund	5.5
Phillips, Hager & North Canadian Income Fund	5.5
Cash & Cash Equivalents	0.6
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



MANAGED PAYOUT SOLUTION

**RBC MANAGED PAYOUT SOLUTION –
ENHANCED PLUS**

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 high, regular monthly distributions, including dividends, realized capital gains, other income and a return of capital, without significant erosion of the net asset value of the Fund and providing for the potential of modest capital growth. The Fund invests primarily in units of other funds managed by RBC GAM or an affiliate of RBC GAM (called “underlying funds”). The decision to invest in an underlying fund is based on the portfolio manager’s assessment of the market outlook and the underlying fund’s ability to help the Fund meet its stated investment objectives. Distributions will include interest income, dividends, capital gains and may also consist of return of capital.

The Fund’s target weightings for each asset class are 45% for fixed income and 55% for equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting.

Results of Operations

The Fund’s net asset value was \$2.0 billion as of June 30, 2018.

Over the past six months, the Fund’s Series A units gained 0.7%. 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.

The Fund made monthly distributions of 3.80 cents per Series A unit in the first half of 2018.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund’s overweight position in equities and underweight position in fixed income had a positive impact on performance. Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the RBC Global High Yield Bond Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund and the RBC QUBE U.S. Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight fixed income but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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.

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	Total	
Series A												
June 30, 2018	6.54	0.09	(0.06)	0.02	(0.02)	0.03	—	(0.09)	—	(0.14)	(0.23)	6.35
Dec. 31, 2017	6.65	0.18	(0.13)	0.20	0.11	0.36	—	(0.06)	(0.13)	(0.28)	(0.47)	6.54
Dec. 31, 2016	6.44	0.19	(0.12)	0.01	0.57	0.65	—	(0.07)	—	(0.38)	(0.45)	6.65
Dec. 31, 2015	7.49	0.28	(0.14)	0.89	(1.03)	—	(0.11)	(0.10)	(0.85)	—	(1.06)	6.44
Dec. 31, 2014	7.44	0.32	(0.15)	0.76	(0.19)	0.74	(0.12)	(0.05)	(0.45)	—	(0.62)	7.49
Dec. 31, 2013	7.33	0.34	(0.14)	0.19	0.23	0.62	(0.17)	(0.08)	(0.14)	(0.13)	(0.52)	7.43
Advisor Series												
June 30, 2018	6.55	0.09	(0.06)	0.02	(0.01)	0.04	—	(0.09)	—	(0.14)	(0.23)	6.36
Dec. 31, 2017	6.66	0.18	(0.13)	0.20	0.11	0.36	—	(0.06)	(0.13)	(0.28)	(0.47)	6.55
Dec. 31, 2016	6.45	0.19	(0.12)	0.01	0.58	0.66	—	(0.07)	—	(0.38)	(0.45)	6.66
Dec. 31, 2015	7.50	0.28	(0.14)	0.89	(1.03)	—	(0.11)	(0.10)	(0.85)	—	(1.06)	6.45
Dec. 31, 2014	7.45	0.32	(0.15)	0.76	(0.19)	0.74	(0.12)	(0.05)	(0.45)	—	(0.62)	7.50
Dec. 31, 2013	7.34	0.34	(0.14)	0.19	0.23	0.62	(0.17)	(0.08)	(0.14)	(0.13)	(0.52)	7.44
Series D												
June 30, 2018	7.15	0.09	(0.04)	0.03	—	0.08	—	(0.10)	—	(0.15)	(0.25)	6.97
Dec. 31, 2017	7.20	0.20	(0.08)	0.22	0.11	0.45	—	(0.06)	(0.14)	(0.30)	(0.50)	7.15
Dec. 31, 2016	6.92	0.21	(0.08)	0.01	0.63	0.77	—	(0.08)	—	(0.41)	(0.49)	7.20
Dec. 31, 2015	7.98	0.30	(0.09)	0.95	(1.10)	0.06	(0.11)	(0.11)	(0.92)	—	(1.14)	6.92
Dec. 31, 2014	7.86	0.34	(0.09)	0.81	(0.20)	0.86	(0.12)	(0.06)	(0.47)	—	(0.65)	7.98
Dec. 31, 2013	7.69	0.36	(0.09)	0.20	0.24	0.71	(0.19)	(0.08)	(0.14)	(0.13)	(0.54)	7.86
Series F												
June 30, 2018	7.89	0.10	(0.03)	0.03	0.02	0.12	—	(0.11)	—	(0.17)	(0.28)	7.71
Dec. 31, 2017	7.93	0.22	(0.06)	0.24	0.15	0.55	—	(0.07)	(0.15)	(0.34)	(0.56)	7.89
Dec. 31, 2016	7.59	0.23	(0.06)	0.01	0.78	0.96	—	(0.08)	—	(0.45)	(0.53)	7.93
Dec. 31, 2015	8.74	0.33	(0.07)	1.04	(1.20)	0.10	(0.12)	(0.13)	(1.01)	—	(1.26)	7.59
Dec. 31, 2014	8.58	0.38	(0.07)	0.89	(0.22)	0.98	(0.14)	(0.06)	(0.51)	—	(0.71)	8.74
Dec. 31, 2013	8.37	0.39	(0.07)	0.22	0.26	0.80	(0.20)	(0.09)	(0.16)	(0.14)	(0.59)	8.58
Series O												
June 30, 2018	7.97	0.10	—	0.03	(0.26)	(0.13)	—	(0.11)	—	(0.17)	(0.28)	7.82
Dec. 31, 2017	7.95	0.22	—	0.25	0.14	0.61	—	(0.07)	(0.15)	(0.34)	(0.56)	7.97
Dec. 31, 2016	7.52	0.22	—	0.01	(1.24)	(1.01)	—	(0.08)	—	(0.45)	(0.53)	7.95
Dec. 31, 2015	8.59	0.33	—	1.03	(1.19)	0.17	(0.12)	(0.12)	(1.01)	—	(1.25)	7.52
Dec. 31, 2014	8.36	0.26	—	0.61	(0.15)	0.72	(0.13)	(0.06)	(0.50)	—	(0.69)	8.59
Dec. 31, 2013	8.08	0.38	—	0.21	0.25	0.84	(0.18)	(0.09)	(0.15)	(0.14)	(0.56)	8.36

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.



FINANCIAL HIGHLIGHTS (cont.)

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	6.35	1 300 908	204 710	1.95	1.95	4.58	0.04
Dec. 31, 2017	6.54	1 506 551	230 320	1.95	1.95	5.69	0.05
Dec. 31, 2016	6.65	1 696 325	255 088	1.95	1.95	9.64	0.08
Dec. 31, 2015	6.44	1 911 731	296 882	1.94	1.94	67.05	0.12
Dec. 31, 2014	7.49	2 026 614	270 725	1.92	1.92	108.26	0.06
Dec. 31, 2013	7.44	1 812 332	243 655	1.92	1.92	66.45	0.06
Advisor Series							
June 30, 2018	6.36	22 525	3 540	1.95	1.95	4.58	0.04
Dec. 31, 2017	6.55	23 481	3 585	1.97	1.97	5.69	0.05
Dec. 31, 2016	6.66	21 759	3 268	1.96	1.96	9.64	0.08
Dec. 31, 2015	6.45	23 399	3 629	1.95	1.95	67.05	0.12
Dec. 31, 2014	7.50	28 633	3 820	1.92	1.92	108.26	0.06
Dec. 31, 2013	7.45	24 978	3 354	1.93	1.93	66.45	0.06
Series D							
June 30, 2018	6.97	104 324	14 961	1.13	1.13	4.58	0.04
Dec. 31, 2017	7.15	102 467	14 336	1.13	1.13	5.69	0.05
Dec. 31, 2016	7.20	87 397	12 134	1.13	1.13	9.64	0.08
Dec. 31, 2015	6.92	79 210	11 448	1.13	1.13	67.05	0.12
Dec. 31, 2014	7.98	74 002	9 273	1.11	1.11	108.26	0.06
Dec. 31, 2013	7.86	60 116	7 646	1.10	1.10	66.45	0.06
Series F							
June 30, 2018	7.71	589 552	76 512	0.85	0.85	4.58	0.04
Dec. 31, 2017	7.89	456 668	57 894	0.85	0.85	5.69	0.05
Dec. 31, 2016	7.93	196 242	24 751	0.84	0.84	9.64	0.08
Dec. 31, 2015	7.59	39 388	5 187	0.83	0.83	67.05	0.12
Dec. 31, 2014	8.74	38 083	4 357	0.81	0.81	108.26	0.06
Dec. 31, 2013	8.58	26 821	3 125	0.81	0.81	66.45	0.06
Series O							
June 30, 2018	7.82	1	—	0.06	0.06	4.58	0.04
Dec. 31, 2017	7.97	28	4	0.06	0.06	5.69	0.05
Dec. 31, 2016	7.95	1	—	0.06	0.06	9.64	0.08
Dec. 31, 2015	7.52	1 291	172	0.05	0.05	67.05	0.12
Dec. 31, 2014	8.59	922	107	0.03	0.03	108.26	0.06
Dec. 31, 2013	8.36	1 345 316	160 861	0.02	0.02	66.45	0.06

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.



FINANCIAL HIGHLIGHTS (cont.)

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	1.70%	59%	41%
Advisor Series	1.70%	59%	41%
Series D	0.95%	26%	74%
Series F	0.70%	—	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.

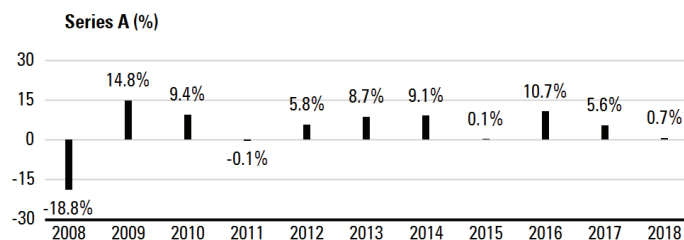
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

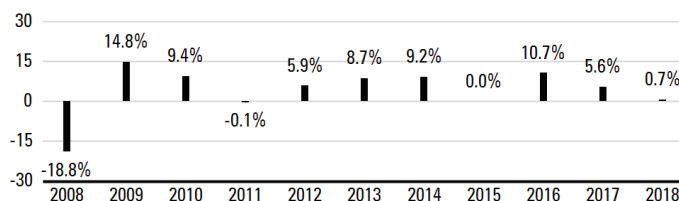
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Year-by-Year Returns (%)

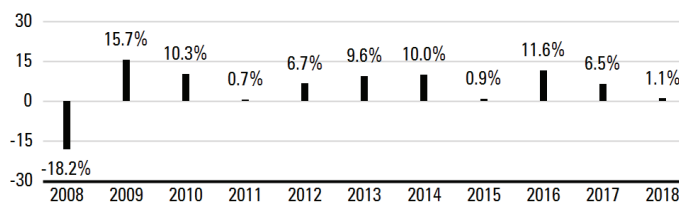
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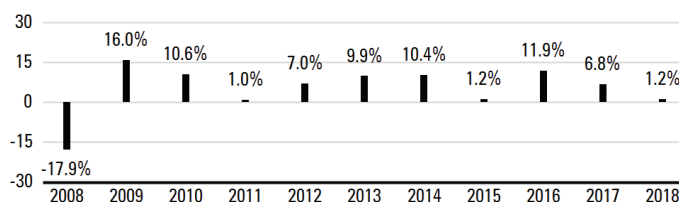
Advisor Series (%)



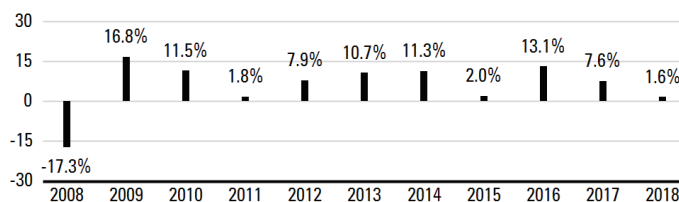
Series D (%)



Series F (%)



Series O (%)



Series O units have been available for sale to unitholders since January 1, 2008.

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
Canadian Equity Funds	42.8
Income Funds	40.3
United States Equity Funds	16.6
Cash/Other	0.3

Top 25 Holdings*

	% of Net Asset Value
RBC Canadian Dividend Fund	21.4
RBC Bond Fund	18.8
Phillips, Hager & North Canadian Income Fund	16.0
RBC Canadian Short-Term Income Fund	12.2
RBC Global High Yield Bond Fund	9.3
RBC QUBE U.S. Equity Fund	8.3
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	8.3
RBC Canadian Equity Income Fund	5.4
Cash & Cash Equivalents	0.3
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



BALANCED FUND

RBC MONTHLY INCOME 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 a tax-efficient monthly distribution consisting of dividend income, interest income and capital gains along with providing the potential for modest capital growth.

The Fund invests primarily in Canadian fixed-income securities, common shares, income trusts and similar higher-yielding investments. For fixed-income securities, the Fund targets a duration similar to the FTSE TMX Canada Universe Bond Index. Stocks that qualify as investments will generally carry above-average dividend yields and offer the potential for increases in their payouts.

The Fund's target weightings for each asset class are 60% for fixed income and 40% for equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was \$7.9 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.3%. 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.

The Fund made monthly distributions of 4.25 cents per Series A unit in the first half of 2018.

The Canadian stock market posted modest gains in the first half of 2018, led by strength in the Energy and Information Technology sectors. However, domestic economic growth slowed and concern about trade protectionism intensified as the period progressed, leading the Bank of Canada (the "BOC") to take a more cautious approach toward raising interest rates. The combination of rising borrowing costs, a weaker housing market and uncertainty about the future of the North American Free Trade Agreement conspired to dampen Canadian economic growth. Late in the period, President Trump imposed tariffs on Canadian steel and aluminum. Against this backdrop, equities struggled to make the kind of headway that came so easily last year.

Canadian bonds posted modest gains during the first half of 2018. Trade tensions and a hint of slowing global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher rates. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the BOC boosted its benchmark rate once, in line with a strengthening North American economy. Although the BOC implied in May that it would continue to raise rates, trade tensions with the U.S. and weak economic data suggested that higher Canadian rates may be further delayed. Canada government bonds outperformed

U.S. Treasuries on fears that the escalating trade conflict could derail Canadian economic growth.

In the equity portion of the Fund, performance benefited from an underweight position in BCE. Interest-rate-sensitive sectors such as Telecommunication Services and Utilities have underperformed this year amid higher bond yields. Conversely, the Fund's performance was hurt by an underweight position in Canadian Information Technology sector. The Fund did not own top performer Constellation Software, which has grown through acquisitions.

Foreign-currency trading was a contributor to performance and cushioned losses on bonds tied to changes in U.S. interest rates and a significant allocation to non-federal bonds. Early in the year, the Fund further reduced exposure to non-government securities as the potential for gains diminished.

Recent Developments

Equities fluctuated significantly during the first half of the year as rapid corporate-profit growth was offset by contracting price-to-earnings ratios. Expanding valuations have been a significant source of gains for stocks during this long bull market, but sustained earnings growth will be critical to drive stocks higher from here. Earnings have indeed been growing rapidly, helped in part by the U.S. tax cuts. The positive trend in earnings is expected to persist, and the portfolio manager's research suggests a reasonable outcome is for stocks to deliver positive returns this year and next. The portfolio manager acknowledges, however, that any deterioration in the outlook for earnings would leave markets vulnerable to correction given currently demanding valuations.

The portfolio manager expects bond yields to rise marginally over the next six months, given tightening financial conditions, the potential for temporarily higher inflation and expectations that central banks will continue to gradually raise rates. Short-term yields should continue to rise faster than those on longer-term bonds, in the view of the portfolio manager.



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 \$147,000 (2017 – \$185,000) or 28% (2017 – 12%) 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	Total	
Series A												
June 30, 2018	14.48	0.23	(0.08)	0.12	(0.25)	0.02	(0.13)	(0.09)	—	(0.03)	(0.25)	14.26
Dec. 31, 2017	14.25	0.45	(0.17)	0.35	0.11	0.74	(0.12)	(0.19)	(0.13)	(0.07)	(0.51)	14.48
Dec. 31, 2016	13.24	0.48	(0.17)	0.34	0.86	1.51	(0.12)	(0.23)	(0.13)	(0.03)	(0.51)	14.25
Dec. 31, 2015	14.21	0.52	(0.17)	0.24	(1.04)	(0.45)	(0.14)	(0.21)	(0.12)	(0.04)	(0.51)	13.24
Dec. 31, 2014	13.52	0.49	(0.17)	0.14	0.73	1.19	(0.15)	(0.19)	—	(0.17)	(0.51)	14.21
Dec. 31, 2013	13.29	0.48	(0.16)	0.27	0.18	0.77	(0.14)	(0.20)	(0.22)	—	(0.56)	13.51
Advisor Series												
June 30, 2018	14.65	0.23	(0.08)	0.12	(0.24)	0.03	(0.13)	(0.09)	—	(0.03)	(0.25)	14.44
Dec. 31, 2017	14.41	0.46	(0.17)	0.35	0.12	0.76	(0.12)	(0.19)	(0.13)	(0.07)	(0.51)	14.65
Dec. 31, 2016	13.38	0.49	(0.16)	0.35	0.86	1.54	(0.12)	(0.23)	(0.13)	(0.03)	(0.51)	14.41
Dec. 31, 2015	14.34	0.52	(0.16)	0.24	(1.05)	(0.45)	(0.14)	(0.21)	(0.12)	(0.04)	(0.51)	13.38
Dec. 31, 2014	13.63	0.49	(0.16)	0.14	0.74	1.21	(0.15)	(0.19)	—	(0.17)	(0.51)	14.34
Dec. 31, 2013	13.39	0.49	(0.16)	0.28	0.18	0.79	(0.14)	(0.20)	(0.22)	—	(0.56)	13.62
Series D												
June 30, 2018	15.08	0.24	(0.06)	0.13	(0.25)	0.06	(0.13)	(0.10)	—	(0.03)	(0.26)	14.88
Dec. 31, 2017	14.77	0.47	(0.13)	0.36	0.11	0.81	(0.12)	(0.19)	(0.13)	(0.07)	(0.51)	15.08
Dec. 31, 2016	13.67	0.50	(0.13)	0.35	0.89	1.61	(0.12)	(0.23)	(0.13)	(0.03)	(0.51)	14.77
Dec. 31, 2015	14.60	0.53	(0.13)	0.25	(1.07)	(0.42)	(0.14)	(0.21)	(0.12)	(0.04)	(0.51)	13.67
Dec. 31, 2014	13.84	0.50	(0.13)	0.15	0.75	1.27	(0.15)	(0.19)	—	(0.17)	(0.51)	14.60
Dec. 31, 2013	13.55	0.49	(0.12)	0.28	0.18	0.83	(0.14)	(0.20)	(0.22)	—	(0.56)	13.83
Series F												
June 30, 2018	15.90	0.25	(0.05)	0.13	(0.19)	0.14	(0.14)	(0.10)	—	(0.04)	(0.28)	15.70
Dec. 31, 2017	15.52	0.50	(0.11)	0.38	0.15	0.92	(0.12)	(0.19)	(0.13)	(0.07)	(0.51)	15.90
Dec. 31, 2016	14.31	0.53	(0.11)	0.37	0.85	1.64	(0.12)	(0.23)	(0.13)	(0.03)	(0.51)	15.52
Dec. 31, 2015	15.24	0.56	(0.11)	0.26	(1.12)	(0.41)	(0.14)	(0.21)	(0.12)	(0.04)	(0.51)	14.31
Dec. 31, 2014	14.40	0.52	(0.11)	0.15	0.78	1.34	(0.15)	(0.19)	—	(0.17)	(0.51)	15.24
Dec. 31, 2013	14.05	0.51	(0.10)	0.29	0.19	0.89	(0.14)	(0.20)	(0.22)	—	(0.56)	14.39
Series O												
June 30, 2018	16.66	0.27	—	0.14	(0.28)	0.13	(0.15)	(0.11)	—	(0.04)	(0.30)	16.51
Dec. 31, 2017	16.13	0.52	—	0.40	0.12	1.04	(0.12)	(0.19)	(0.13)	(0.07)	(0.51)	16.66
Dec. 31, 2016	14.76	0.54	—	0.38	0.95	1.87	(0.12)	(0.23)	(0.13)	(0.03)	(0.51)	16.13
Dec. 31, 2015	15.60	0.57	—	0.27	(1.15)	(0.31)	(0.14)	(0.21)	(0.12)	(0.04)	(0.51)	14.76
Dec. 31, 2014	14.62	0.53	—	0.16	0.79	1.48	(0.15)	(0.19)	—	(0.17)	(0.51)	15.60
Dec. 31, 2013	14.17	0.52	—	0.29	0.19	1.00	(0.14)	(0.20)	(0.22)	—	(0.56)	14.61

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.



FINANCIAL HIGHLIGHTS (cont.)

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	14.26	6 376 955	447 017	1.20	1.20	15.73	0.02
Dec. 31, 2017	14.48	6 882 249	475 151	1.20	1.20	26.15	0.03
Dec. 31, 2016	14.25	7 044 014	494 218	1.20	1.20	24.37	0.03
Dec. 31, 2015	13.24	7 292 559	550 690	1.20	1.20	19.88	0.02
Dec. 31, 2014	14.21	8 486 039	597 130	1.20	1.20	27.02	0.02
Dec. 31, 2013	13.52	8 088 354	598 177	1.20	1.20	36.94	0.02
Advisor Series							
June 30, 2018	14.44	57 018	3 948	1.15	1.15	15.73	0.02
Dec. 31, 2017	14.65	60 990	4 162	1.15	1.15	26.15	0.03
Dec. 31, 2016	14.41	62 451	4 334	1.15	1.15	24.37	0.03
Dec. 31, 2015	13.38	53 963	4 035	1.15	1.15	19.88	0.02
Dec. 31, 2014	14.34	59 292	4 135	1.15	1.15	27.02	0.02
Dec. 31, 2013	13.63	53 908	3 955	1.16	1.16	36.94	0.02
Series D							
June 30, 2018	14.88	172 754	11 612	0.88	0.88	15.73	0.02
Dec. 31, 2017	15.08	175 640	11 647	0.88	0.88	26.15	0.03
Dec. 31, 2016	14.77	169 877	11 500	0.88	0.88	24.37	0.03
Dec. 31, 2015	13.67	160 850	11 770	0.88	0.88	19.88	0.02
Dec. 31, 2014	14.60	172 123	11 787	0.88	0.88	27.02	0.02
Dec. 31, 2013	13.84	154 446	11 161	0.88	0.88	36.94	0.02
Series F							
June 30, 2018	15.70	704 478	44 883	0.71	0.71	15.73	0.02
Dec. 31, 2017	15.90	565 502	35 574	0.72	0.72	26.15	0.03
Dec. 31, 2016	15.52	253 543	16 337	0.71	0.71	24.37	0.03
Dec. 31, 2015	14.31	116 040	8 109	0.71	0.71	19.88	0.02
Dec. 31, 2014	15.24	90 228	5 920	0.72	0.72	27.02	0.02
Dec. 31, 2013	14.40	48 710	3 383	0.72	0.72	36.94	0.02
Series O							
June 30, 2018	16.51	558 109	33 806	0.02	0.02	15.73	0.02
Dec. 31, 2017	16.66	589 109	35 358	0.03	0.03	26.15	0.03
Dec. 31, 2016	16.13	588 353	36 469	0.02	0.02	24.37	0.03
Dec. 31, 2015	14.76	612 188	41 487	0.02	0.02	19.88	0.02
Dec. 31, 2014	15.60	651 773	41 791	0.02	0.02	27.02	0.02
Dec. 31, 2013	14.62	580 217	39 678	0.02	0.02	36.94	0.02

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.



FINANCIAL HIGHLIGHTS (cont.)

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	1.00%	50%	50%
Advisor Series	1.00%	50%	50%
Series D	0.75%	20%	80%
Series F	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.

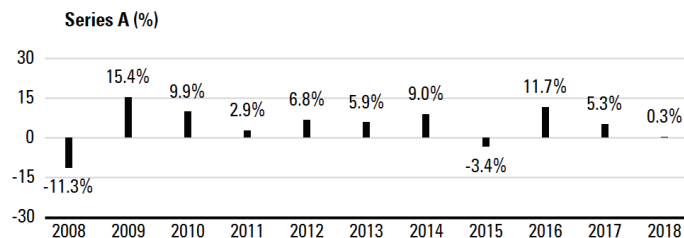
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

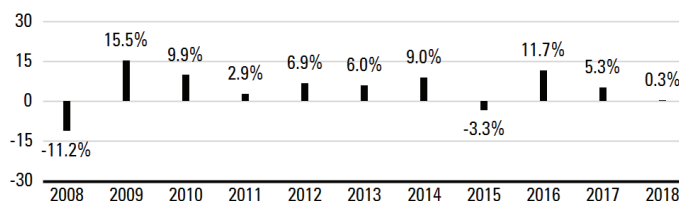
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

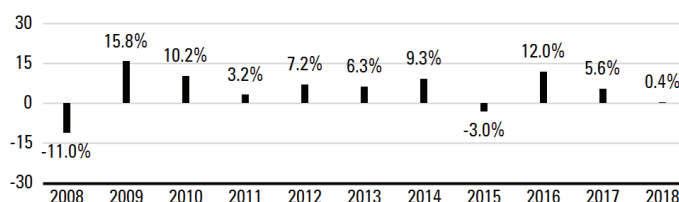
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



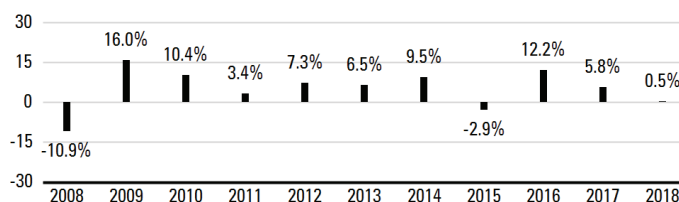
Advisor Series (%)



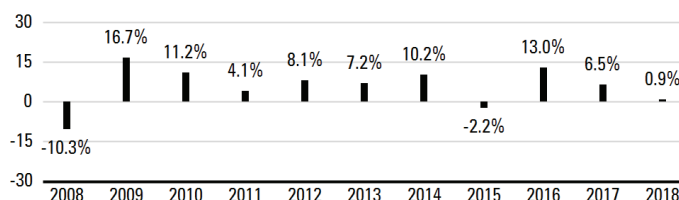
Series D (%)



Series F (%)



Series O (%)



Series O units have been available for sale to unitholders since January 1, 2008.

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
Canadian Bonds	51.1
Equities	37.3
Underlying Funds	7.8
Foreign Bonds	0.7
Cash/Other	3.1

Top 25 Holdings

	% of Net Asset Value
RBC U.S. Dividend Fund	7.8
Royal Bank of Canada	3.0
Toronto-Dominion Bank	2.9
Bank of Nova Scotia	2.1
Cash & Cash Equivalents	1.9
Enbridge Inc.	1.6
Canadian National Railway Co.	1.6
Government of Canada 0.750% Sep 1 2021	1.5
Government of Canada 2.750% Dec 1 2048	1.4
Brookfield Asset Management Inc., Class A	1.4
Bank of Montreal	1.4
Province of Ontario 4.600% Jun 2 2039	1.3
Suncor Energy Inc.	1.3
Province of Ontario 4.650% Jun 2 2041	1.3
Manulife Financial Corporation	1.1
Province of Ontario 3.450% Jun 2 2045	1.1
TransCanada Corp.	1.1
Province of Ontario 6.500% Mar 8 2029	1.1
Ontario Electricity Financial Corp. 8.250% Jun 22 2026	1.1
Province of Quebec 3.000% Sep 1 2023	1.0
Canadian Imperial Bank of Commerce	1.0
Province of Quebec 5.000% Dec 1 2041	0.9
Canadian Pacific Railway Ltd.	0.9
Canadian Natural Resources Ltd.	0.9
Hydro-Quebec 6.500% Feb 15 2035	0.8
Top 25 Holdings	41.5

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.



BALANCED FUND

RBC U.S. MONTHLY INCOME FUND

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England
(for a portion of the Fund)

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 (in USD)

Investment Objective and Strategies

The Fund seeks to provide regular U.S. dollar monthly income and modest capital growth.

The Fund invests primarily in U.S. government bonds, corporate fixed-income securities, asset-backed bonds and equity securities of U.S. companies. Investments may also include high-yield debt and U.S. dollar-denominated debt issued in emerging markets.

The Fund's target weightings for each asset class are 60% for fixed income and 40% for equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was \$1.3 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 2.2%. 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.

The Fund made monthly distributions of 2.90 cents per Series A unit in the first half of 2018.

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.

U.S. fixed-income assets fell in the first half of 2018 amid faster global economic growth, as the U.S. Federal Reserve (the "Fed") boosted interest rates. With inflation an increasing concern, the Fed continued to move away from an emphasis on historically low short-term interest rates and bond purchases aimed at holding down longer-term rates.

In the equity portion of the Fund, 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.

The Fund's underweight allocations to the Consumer Discretionary and Information Technology sectors hurt relative performance. Many companies in these sectors do not pay dividends, and it is therefore difficult for the Fund to keep pace when these sectors outperform. The Fund did not own Amazon, Netflix and Adobe Systems, none of which pay dividends but all of which outperformed. In addition, overweight allocations to tobacco companies Philip Morris International and Altria Group hurt performance. Philip Morris fell on weak earnings driven largely by lower-than-expected sales of its smokeless product in Japan. Security selection was an overall negative for the Fund's performance.

In the Fund's fixed-income segment, U.S. investment-grade bonds were negatively affected by a wave of corporate takeovers that increased bond issuance, as well as a decline in demand from foreign investors. U.S. high-yield bonds helped the Fund's returns and outperformed the investment-grade bond market on strong investor demand for lower-quality high-yield bonds. Returns in emerging-market bonds were negatively affected by expectations of further Fed rate hikes and increasing trade tensions between the U.S. and China and their potentially negative impact on global growth.

The Fund's position in U.S. investment-grade and emerging-market bonds had a positive impact on relative returns, while exposure to U.S. Treasuries and mortgages had a negative impact on performance.

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 Fed raises rates gradually, stocks are likely to offer decent returns for the balance of 2018.

The Fund has been increasing exposure to U.S. Treasury bonds and cash while keeping the maturity of the portfolio shorter than average as a way to preserve capital in a rising-rate environment.

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.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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 \$45,000 (2017 – \$26,000) or 12% (2017 – 10%) 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 (in USD)

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	Total	
Series A												
June 30, 2018	10.72	0.15	(0.09)	0.19	(0.49)	(0.24)	(0.09)	(0.06)	—	(0.03)	(0.18)	10.31
Dec. 31, 2017	10.05	0.30	(0.17)	0.29	0.57	0.99	(0.03)	(0.10)	(0.13)	(0.06)	(0.32)	10.72
Dec. 31, 2016	9.73	0.32	(0.17)	0.15	0.33	0.63	(0.05)	(0.11)	(0.14)	(0.02)	(0.32)	10.05
Dec. 31, 2015	10.74	0.34	(0.19)	0.07	(0.36)	(0.14)	(0.05)	(0.12)	(0.72)	—	(0.89)	9.73
Dec. 31, 2014	10.75	0.34	(0.19)	0.42	0.22	0.79	(0.04)	(0.10)	(0.66)	—	(0.80)	10.74
Dec. 31, 2013	10.55	0.37	(0.19)	0.52	0.28	0.98	(0.08)	(0.14)	(0.57)	—	(0.79)	10.75
Advisor Series												
June 30, 2018	10.84	0.15	(0.08)	0.19	(0.49)	(0.23)	(0.09)	(0.06)	—	(0.03)	(0.18)	10.43
Dec. 31, 2017	10.15	0.30	(0.17)	0.29	0.59	1.01	(0.03)	(0.10)	(0.13)	(0.06)	(0.32)	10.84
Dec. 31, 2016	9.83	0.33	(0.17)	0.15	0.33	0.64	(0.05)	(0.11)	(0.14)	(0.02)	(0.32)	10.15
Dec. 31, 2015	10.84	0.34	(0.18)	0.07	(0.37)	(0.14)	(0.05)	(0.12)	(0.72)	—	(0.89)	9.83
Dec. 31, 2014	10.84	0.34	(0.19)	0.43	0.22	0.80	(0.04)	(0.10)	(0.66)	—	(0.80)	10.84
Dec. 31, 2013	10.63	0.37	(0.19)	0.53	0.29	1.00	(0.08)	(0.14)	(0.58)	—	(0.80)	10.83
Series D												
June 30, 2018	11.66	0.16	(0.05)	0.21	(0.54)	(0.22)	(0.09)	(0.06)	—	(0.03)	(0.18)	11.26
Dec. 31, 2017	10.84	0.32	(0.11)	0.31	0.64	1.16	(0.03)	(0.12)	(0.13)	(0.06)	(0.34)	11.66
Dec. 31, 2016	10.42	0.35	(0.10)	0.16	0.34	0.75	(0.05)	(0.13)	(0.14)	(0.02)	(0.34)	10.84
Dec. 31, 2015	11.42	0.36	(0.12)	0.08	(0.39)	(0.07)	(0.06)	(0.12)	(0.76)	—	(0.94)	10.42
Dec. 31, 2014	11.32	0.36	(0.12)	0.44	0.23	0.91	(0.04)	(0.10)	(0.68)	—	(0.82)	11.42
Dec. 31, 2013	10.99	0.39	(0.12)	0.54	0.30	1.11	(0.08)	(0.14)	(0.57)	—	(0.79)	11.31
Series F												
June 30, 2018	11.34	0.16	(0.04)	0.20	(0.51)	(0.19)	(0.09)	(0.06)	—	(0.03)	(0.18)	10.96
Dec. 31, 2017	10.53	0.31	(0.08)	0.30	0.61	1.14	(0.03)	(0.11)	(0.13)	(0.06)	(0.33)	11.34
Dec. 31, 2016	10.10	0.34	(0.08)	0.16	0.35	0.77	(0.05)	(0.12)	(0.14)	(0.02)	(0.33)	10.53
Dec. 31, 2015	11.04	0.35	(0.10)	0.08	(0.37)	(0.04)	(0.05)	(0.12)	(0.74)	—	(0.91)	10.10
Dec. 31, 2014	10.94	0.35	(0.10)	0.43	0.23	0.91	(0.04)	(0.10)	(0.66)	—	(0.80)	11.04
Dec. 31, 2013	10.64	0.38	(0.10)	0.53	0.29	1.10	(0.08)	(0.14)	(0.59)	—	(0.81)	10.93



FINANCIAL HIGHLIGHTS (in USD) (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	Total	
		Series I										
June 30, 2018	11.41	0.16	(0.04)	0.20	(0.52)	(0.20)	(0.09)	(0.06)	—	(0.03)	(0.18)	11.03
Dec. 31, 2017	10.58	0.32	(0.08)	0.30	0.63	1.17	(0.03)	(0.11)	(0.13)	(0.06)	(0.33)	11.41
Dec. 31, 2016	10.14	0.34	(0.07)	0.16	0.37	0.80	(0.05)	(0.12)	(0.14)	(0.02)	(0.33)	10.58
Dec. 31, 2015	11.07	0.35	(0.08)	0.08	(0.37)	(0.02)	(0.05)	(0.12)	(0.75)	—	(0.92)	10.14
Dec. 31, 2014	10.94	0.34	(0.08)	0.42	0.22	0.90	(0.04)	(0.10)	(0.66)	—	(0.80)	11.07
Dec. 31, 2013 ³	11.04 [†]	0.14	(0.03)	0.19	0.10	0.40	(0.03)	(0.06)	(0.54)	—	(0.63)	10.94

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 August 12, 2013.

[†] 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	10.31	1 087 295	105 415	1.65	1.65	59.89	0.06
Dec. 31, 2017	10.72	1 109 029	103 458	1.66	1.66	54.52	0.04
Dec. 31, 2016	10.05	866 573	86 255	1.71 ⁴	1.71	108.65	0.05
Dec. 31, 2015	9.73	937 138	96 311	1.76	1.76	111.43	0.08
Dec. 31, 2014	10.74	932 545	86 791	1.77	1.77	107.15	0.07
Dec. 31, 2013	10.75	653 066	60 724	1.77	1.77	116.70	0.09
Advisor Series							
June 30, 2018	10.43	46 574	4 465	1.61	1.61	59.89	0.06
Dec. 31, 2017	10.84	52 781	4 869	1.62	1.62	54.52	0.04
Dec. 31, 2016	10.15	53 113	5 231	1.67 ⁴	1.67	108.65	0.05
Dec. 31, 2015	9.83	63 222	6 434	1.73	1.73	111.43	0.08
Dec. 31, 2014	10.84	66 322	6 120	1.73	1.73	107.15	0.07
Dec. 31, 2013	10.84	61 673	5 691	1.73	1.73	116.70	0.09
Series D							
June 30, 2018	11.26	40 475	3 595	0.94	0.94	59.89	0.06
Dec. 31, 2017	11.66	41 897	3 594	0.94	0.94	54.52	0.04
Dec. 31, 2016	10.84	33 225	3 065	0.99 ⁴	0.99	108.65	0.05
Dec. 31, 2015	10.42	33 007	3 168	1.05	1.05	111.43	0.08
Dec. 31, 2014	11.42	26 564	2 327	1.06	1.06	107.15	0.07
Dec. 31, 2013	11.32	15 655	1 383	1.05	1.05	116.70	0.09
Series F							
June 30, 2018	10.96	94 308	8 601	0.78	0.78	59.89	0.06
Dec. 31, 2017	11.34	86 396	7 616	0.78	0.78	54.52	0.04
Dec. 31, 2016	10.53	50 021	4 751	0.82 ⁴	0.82	108.65	0.05
Dec. 31, 2015	10.10	33 163	3 283	0.88	0.88	111.43	0.08
Dec. 31, 2014	11.04	32 009	2 899	0.88	0.88	107.15	0.07
Dec. 31, 2013	10.94	22 004	2 012	0.88	0.88	116.70	0.09



FINANCIAL HIGHLIGHTS (in USD) (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 I							
June 30, 2018	11.03	59 725	5 413	0.70	0.70	59.89	0.06
Dec. 31, 2017	11.41	57 157	5 008	0.71	0.71	54.52	0.04
Dec. 31, 2016	10.58	54 070	5 109	0.70	0.70	108.65	0.05
Dec. 31, 2015	10.14	51 774	5 107	0.70	0.70	111.43	0.08
Dec. 31, 2014	11.07	33 959	3 068	0.70	0.70	107.15	0.07
Dec. 31, 2013 ⁵	10.94	13 405	1 225	0.75	0.75	116.70	0.09

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 – 1.65%, Advisor Series – 1.61%, Series D – 0.94% and Series F – 0.77%.

⁵ From August 12, 2013.

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	1.40%	53%	47%
Advisor Series	1.40%	53%	47%
Series D	0.80%	17%	83%
Series F	0.65%	–	100%
Series I	0.60%	–	100%

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

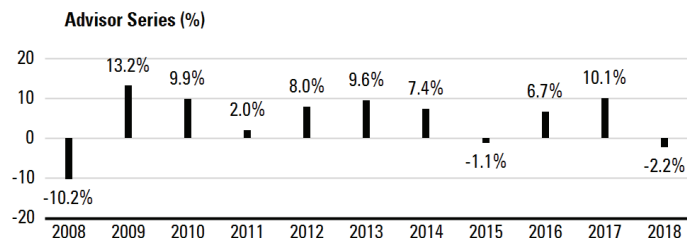
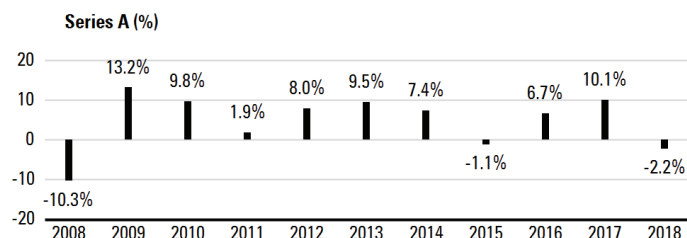


PAST PERFORMANCE (in USD)

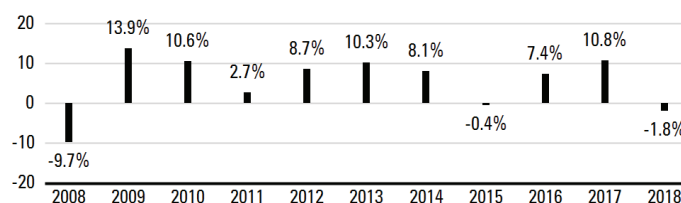
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

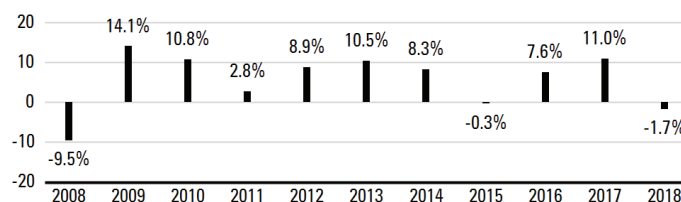
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



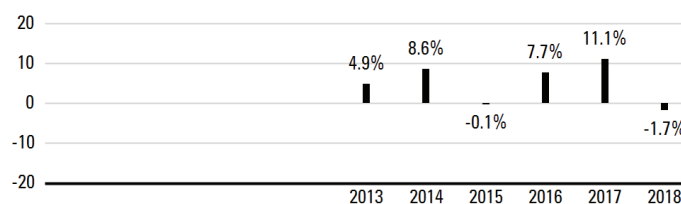
Series D (%)



Series F (%)



Series I (%)



Series I units have been available for sale to unitholders since August 12, 2013.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series H units were re-designated as Series A units effective June 30, 2016.

Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2018.



SUMMARY OF INVESTMENT PORTFOLIO (in USD)

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
Equities	41.2
Bonds	36.3
Mortgage-Backed Securities	12.9
Underlying Funds	6.9
Cash/Other	2.7

Top 25 Holdings

	% of Net Asset Value
United States Treasury 1.750% May 15 2023	6.0
United States Treasury 1.500% Jan 31 2022	3.5
United States Treasury 2.000% Feb 15 2025	2.9
RBC \$U.S. High Yield Bond Fund	2.6
Cash & Cash Equivalents	2.5
RBC Emerging Markets Bond Fund	2.5
United States Treasury 2.250% Nov 15 2024	2.2
Microsoft Corp.	2.2
Apple Inc.	2.0
United States Treasury 3.500% Feb 15 2039	1.8
United States Treasury 1.625% Feb 15 2026	1.4
Fannie Mae Pool 4.000% Sep 1 2047	1.4
Cisco Systems Inc.	1.3
United States Treasury 1.125% Apr 30 2020	1.1
JPMorgan Chase & Co.	1.1
Intel Corp.	1.1
Texas Instruments Inc.	1.0
Fannie Mae Pool 3.500% Nov 1 2045	1.0
Chevron Corp.	1.0
United States Treasury 2.500% Feb 15 2045	1.0
UnitedHealth Group Incorporated	1.0
Utilities Select Sector SPDR Fund	1.0
Bank of America Corp.	0.9
Altria Group Inc.	0.9
iShares Dow Jones US Real Estate Index Fund	0.9
Top 25 Holdings	44.3

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.



BALANCED FUND

RBC BALANCED FUND

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England
(for the European equity portion of the Fund)

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China
(for the Asian equity portion of the Fund)

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 capital growth and modest income by investing in a mix of Canadian stocks and fixed-income securities.

The Fund is invested primarily in Canadian equities to provide capital growth and fixed-income securities to generate income. The Fund may also hold income-trust units, corporate bonds and foreign securities. Blending equities and fixed-income securities in a single portfolio provides investors with exposure to the upside potential of equity capital markets while taking advantage of the stability and frequently offsetting risk profile of bonds.

The portfolio manager's analysis of the economic outlook and capital market valuations and prospects determines the portion of the portfolio that will be invested in stocks and bonds. The composition of the portfolio holdings is adjusted as economic and capital market conditions warrant.

The Fund's target weightings for each asset class are 45% for fixed income, 35% for Canadian equities, 10% for U.S. equities, 7% for international equities and 3% for emerging markets equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was \$5.5 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.8%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its

balance sheet, while the Bank of Canada boosted its benchmark rate once. Performance was boosted by the Fund's exposure to investment-grade corporate bonds.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were hurt by the impact of security selection in the developed markets of Asia and Europe, but this was offset in part by the positive impact of security selection in Canada.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight fixed income but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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.

Sub-Advisors

RBC Global Asset Management (UK) Limited and RBC Investment Management (Asia) Limited are the sub-advisors and provide investment advice for the Fund. The sub-advisors earn a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisors are paid by the manager from the management fee paid by the Fund.

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 \$65,000 (2017 – \$131,000) or 8% (2017 – 10%) 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	Total		
Series A													
June 30, 2018	14.28	0.18	(0.15)	0.44	(0.37)	0.10	—	(0.02)	—	—	(0.02)	14.37	
Dec. 31, 2017	13.86	0.35	(0.31)	0.75	0.18	0.97	—	(0.04)	(0.52)	—	(0.56)	14.28	
Dec. 31, 2016	13.18	0.40	(0.29)	0.46	0.33	0.90	—	(0.11)	(0.12)	—	(0.23)	13.86	
Dec. 31, 2015	13.46	0.41	(0.30)	0.53	(0.50)	0.14	—	(0.12)	(0.27)	—	(0.39)	13.18	
Dec. 31, 2014	12.90	0.41	(0.31)	0.74	0.31	1.15	—	(0.07)	(0.50)	—	(0.57)	13.46	
Dec. 31, 2013	12.31	0.33	(0.30)	0.71	0.38	1.12	—	(0.02)	(0.53)	—	(0.55)	12.89	
Advisor Series													
June 30, 2018	14.43	0.18	(0.15)	0.45	(0.37)	0.11	—	(0.02)	—	—	(0.02)	14.52	
Dec. 31, 2017	14.01	0.35	(0.31)	0.76	0.19	0.99	—	(0.03)	(0.53)	—	(0.56)	14.43	
Dec. 31, 2016	13.31	0.40	(0.29)	0.46	0.33	0.90	—	(0.11)	(0.12)	—	(0.23)	14.01	
Dec. 31, 2015	13.60	0.41	(0.30)	0.54	(0.51)	0.14	—	(0.12)	(0.27)	—	(0.39)	13.31	
Dec. 31, 2014	13.02	0.41	(0.32)	0.75	0.31	1.15	—	(0.06)	(0.50)	—	(0.56)	13.60	
Dec. 31, 2013	12.43	0.33	(0.30)	0.72	0.38	1.13	—	(0.02)	(0.53)	—	(0.55)	13.02	
Series T5													
June 30, 2018	12.87	0.16	(0.13)	0.40	(0.30)	0.13	—	(0.28)	—	(0.04)	(0.32)	12.65	
Dec. 31, 2017	12.63	0.31	(0.27)	0.67	0.20	0.91	—	(0.03)	(0.52)	(0.08)	(0.63)	12.87	
Dec. 31, 2016	12.40	0.37	(0.27)	0.42	0.36	0.88	—	(0.10)	(0.09)	(0.43)	(0.62)	12.63	
Dec. 31, 2015	12.93	0.39	(0.27)	0.50	(0.48)	0.14	—	(0.11)	(0.29)	(0.25)	(0.65)	12.40	
Dec. 31, 2014	12.47	0.39	(0.29)	0.70	0.30	1.10	—	(0.06)	(0.42)	(0.14)	(0.62)	12.93	
Dec. 31, 2013	12.34	0.33	(0.30)	0.71	0.37	1.11	—	(0.02)	(0.95)	—	(0.97)	12.47	
Series T8													
June 30, 2018	8.26	0.10	(0.08)	0.25	(0.21)	0.06	—	(0.13)	—	(0.20)	(0.33)	7.99	
Dec. 31, 2017	8.35	0.20	(0.17)	0.44	0.04	0.51	—	(0.02)	(0.24)	(0.41)	(0.67)	8.26	
Dec. 31, 2016	8.46	0.25	(0.18)	0.28	0.20	0.55	—	(0.07)	(0.09)	(0.52)	(0.68)	8.35	
Dec. 31, 2015	9.10	0.27	(0.19)	0.35	(0.33)	0.10	—	(0.08)	(0.17)	(0.48)	(0.73)	8.46	
Dec. 31, 2014	9.05	0.28	(0.21)	0.50	0.21	0.78	—	(0.05)	(0.35)	(0.33)	(0.73)	9.10	
Dec. 31, 2013	8.97	0.23	(0.21)	0.50	0.27	0.79	—	(0.03)	(0.30)	(0.39)	(0.72)	9.04	
Series D													
June 30, 2018	14.89	0.19	(0.10)	0.46	(0.37)	0.18	—	(0.06)	—	—	(0.06)	15.00	
Dec. 31, 2017	14.41	0.37	(0.20)	0.78	0.18	1.13	—	(0.13)	(0.54)	—	(0.67)	14.89	
Dec. 31, 2016	13.70	0.41	(0.19)	0.47	0.38	1.07	—	(0.23)	(0.12)	—	(0.35)	14.41	
Dec. 31, 2015	13.99	0.42	(0.19)	0.55	(0.52)	0.26	—	(0.24)	(0.28)	—	(0.52)	13.70	
Dec. 31, 2014	13.40	0.42	(0.21)	0.77	0.32	1.30	—	(0.18)	(0.52)	—	(0.70)	13.99	
Dec. 31, 2013	12.79	0.34	(0.20)	0.74	0.39	1.27	—	(0.14)	(0.55)	—	(0.69)	13.39	



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	Total	
Series F												
June 30, 2018	15.74	0.20	(0.08)	0.49	(0.33)	0.28	—	(0.08)	—	—	(0.08)	15.87
Dec. 31, 2017	15.23	0.39	(0.17)	0.83	0.22	1.27	—	(0.16)	(0.58)	—	(0.74)	15.74
Dec. 31, 2016	14.47	0.44	(0.16)	0.51	0.24	1.03	—	(0.29)	(0.12)	—	(0.41)	15.23
Dec. 31, 2015	14.78	0.45	(0.16)	0.58	(0.55)	0.32	—	(0.30)	(0.29)	—	(0.59)	14.47
Dec. 31, 2014	14.15	0.45	(0.18)	0.82	0.34	1.43	—	(0.23)	(0.55)	—	(0.78)	14.78
Dec. 31, 2013	13.50	0.36	(0.17)	0.79	0.42	1.40	—	(0.18)	(0.58)	—	(0.76)	14.14
Series I												
June 30, 2018	16.33	0.21	(0.03)	0.51	(0.42)	0.27	—	(0.11)	—	—	(0.11)	16.49
Dec. 31, 2017	15.78	0.40	(0.07)	0.86	0.20	1.39	—	(0.25)	(0.60)	—	(0.85)	16.33
Dec. 31, 2016	14.99	0.45	(0.06)	0.52	0.40	1.31	—	(0.40)	(0.13)	—	(0.53)	15.78
Dec. 31, 2015	15.31	0.46	(0.06)	0.61	(0.57)	0.44	—	(0.41)	(0.30)	—	(0.71)	14.99
Dec. 31, 2014	14.66	0.46	(0.06)	0.85	0.36	1.61	—	(0.37)	(0.57)	—	(0.94)	15.31
Dec. 31, 2013	13.99	0.38	(0.06)	0.82	0.43	1.57	—	(0.31)	(0.60)	—	(0.91)	14.65
Series O												
June 30, 2018	15.91	0.20	—	0.50	(0.41)	0.29	—	(0.13)	—	—	(0.13)	16.07
Dec. 31, 2017	15.36	0.39	—	0.84	0.19	1.42	—	(0.30)	(0.58)	—	(0.88)	15.91
Dec. 31, 2016	14.59	0.44	—	0.51	0.38	1.33	—	(0.44)	(0.13)	—	(0.57)	15.36
Dec. 31, 2015	14.91	0.45	—	0.59	(0.56)	0.48	—	(0.46)	(0.30)	—	(0.76)	14.59
Dec. 31, 2014	14.29	0.45	—	0.83	0.35	1.63	—	(0.42)	(0.57)	—	(0.99)	14.91
Dec. 31, 2013	13.64	0.37	—	0.80	0.42	1.59	—	(0.35)	(0.59)	—	(0.94)	14.29

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.

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	14.37	4 748 635	330 360	2.15	2.15	29.31	0.04
Dec. 31, 2017	14.28	5 063 830	354 559	2.16	2.16	29.14	0.04
Dec. 31, 2016	13.86	5 291 927	381 744	2.16	2.16	31.74	0.06
Dec. 31, 2015	13.18	5 717 850	433 974	2.16	2.16	42.78	0.06
Dec. 31, 2014	13.46	6 459 792	479 781	2.32	2.32	60.51	0.09
Dec. 31, 2013	12.90	6 610 494	512 529	2.36	2.36	70.00	0.11
Advisor Series							
June 30, 2018	14.52	16 038	1 105	2.17	2.17	29.31	0.04
Dec. 31, 2017	14.43	17 160	1 190	2.18	2.18	29.14	0.04
Dec. 31, 2016	14.01	17 857	1 275	2.17	2.17	31.74	0.06
Dec. 31, 2015	13.31	17 719	1 331	2.18	2.18	42.78	0.06
Dec. 31, 2014	13.60	19 550	1 437	2.34	2.34	60.51	0.09
Dec. 31, 2013	13.02	21 017	1 614	2.33	2.33	70.00	0.11



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 T5							
June 30, 2018	12.65	1 398	111	2.13	2.13	29.31	0.04
Dec. 31, 2017	12.87	1 195	93	2.15	2.15	29.14	0.04
Dec. 31, 2016	12.63	751	59	2.14	2.14	31.74	0.06
Dec. 31, 2015	12.40	837	67	2.14	2.14	42.78	0.06
Dec. 31, 2014	12.93	336	26	2.29	2.29	60.51	0.09
Dec. 31, 2013	12.47	192	15	2.36	2.36	70.00	0.11
Series T8							
June 30, 2018	7.99	2 398	300	2.10	2.10	29.31	0.04
Dec. 31, 2017	8.26	2 596	314	2.11	2.11	29.14	0.04
Dec. 31, 2016	8.35	3 944	472	2.13	2.13	31.74	0.06
Dec. 31, 2015	8.46	2 884	341	2.15	2.15	42.78	0.06
Dec. 31, 2014	9.10	2 424	266	2.30	2.30	60.51	0.09
Dec. 31, 2013	9.05	1 902	210	2.29	2.29	70.00	0.11
Series D							
June 30, 2018	15.00	124 414	8 292	1.33	1.33	29.31	0.04
Dec. 31, 2017	14.89	125 541	8 432	1.33	1.33	29.14	0.04
Dec. 31, 2016	14.41	115 887	8 040	1.33	1.33	31.74	0.06
Dec. 31, 2015	13.70	111 999	8 176	1.33	1.33	42.78	0.06
Dec. 31, 2014	13.99	109 532	7 828	1.50	1.50	60.51	0.09
Dec. 31, 2013	13.40	96 600	7 210	1.49	1.49	70.00	0.11
Series F							
June 30, 2018	15.87	264 933	16 694	1.04	1.04	29.31	0.04
Dec. 31, 2017	15.74	193 873	12 321	1.06	1.06	29.14	0.04
Dec. 31, 2016	15.23	84 401	5 541	1.06	1.06	31.74	0.06
Dec. 31, 2015	14.47	23 676	1 637	1.06	1.06	42.78	0.06
Dec. 31, 2014	14.78	22 710	1 537	1.23	1.23	60.51	0.09
Dec. 31, 2013	14.15	18 588	1 314	1.22	1.22	70.00	0.11
Series I							
June 30, 2018	16.49	238 162	14 444	0.42	0.42	29.31	0.04
Dec. 31, 2017	16.33	242 039	14 823	0.42	0.42	29.14	0.04
Dec. 31, 2016	15.78	228 592	14 487	0.42	0.42	31.74	0.06
Dec. 31, 2015	14.99	218 208	14 554	0.43	0.43	42.78	0.06
Dec. 31, 2014	15.31	219 561	14 340	0.43	0.43	60.51	0.09
Dec. 31, 2013	14.66	201 591	13 750	0.41	0.41	70.00	0.11
Series O							
June 30, 2018	16.07	63 540	3 953	0.03	0.03	29.31	0.04
Dec. 31, 2017	15.91	62 877	3 953	0.03	0.03	29.14	0.04
Dec. 31, 2016	15.36	56 950	3 709	0.04	0.04	31.74	0.06
Dec. 31, 2015	14.59	51 433	3 525	0.04	0.04	42.78	0.06
Dec. 31, 2014	14.91	47 056	3 156	0.03	0.03	60.51	0.09
Dec. 31, 2013	14.29	42 369	2 964	0.02	0.02	70.00	0.11

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.



FINANCIAL HIGHLIGHTS (cont.)

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	1.85%	50%	50%
Advisor Series	1.85%	50%	50%
Series T5	1.85%	50%	50%
Series T8	1.85%	50%	50%
Series D	1.10%	20%	80%
Series F	0.85%	—	100%
Series I	1.00%	—	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.

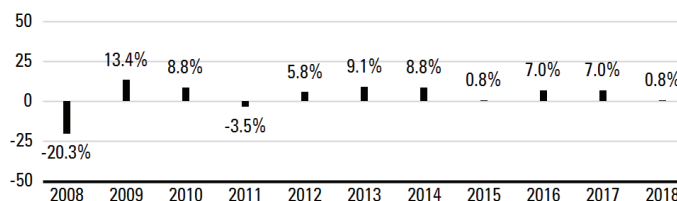
PAST PERFORMANCE

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.

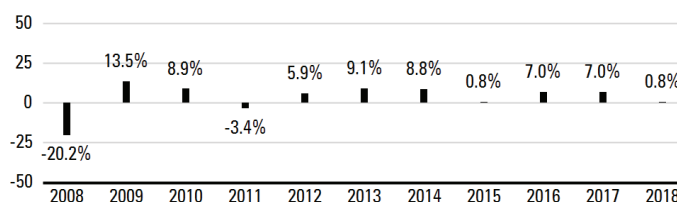
Year-by-Year Returns (%)

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.

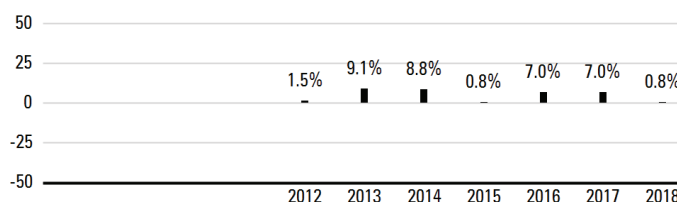
Series A (%)



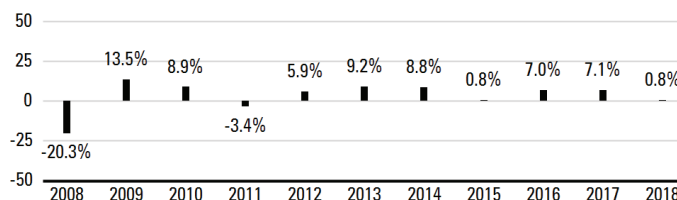
Advisor Series (%)



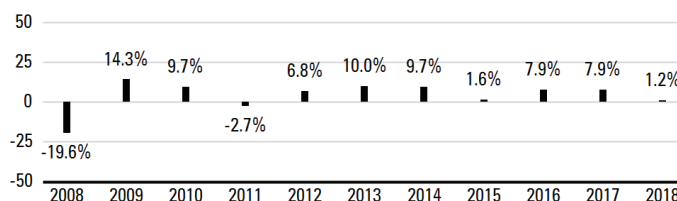
Series T5 (%)



Series T8 (%)

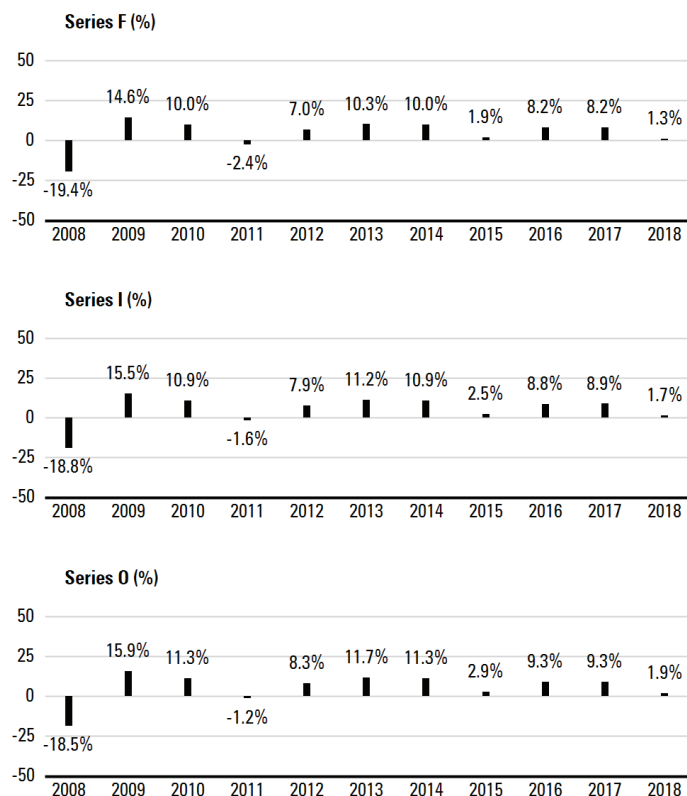


Series D (%)





PAST PERFORMANCE (cont.)



Series T5 units have been available for sale to unitholders since September 24, 2012.

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
Canadian Bonds	39.0
Canadian Equities	32.9
United States Equities	9.4
Underlying Funds	6.8
International Equities	6.5
Foreign Bonds	1.0
Cash/Other	4.4

Top 25 Holdings

	% of Net Asset Value
RBC Emerging Markets Equity Fund	3.2
Cash & Cash Equivalents	2.4
Royal Bank of Canada	2.3
Toronto-Dominion Bank	2.2
Bank of Nova Scotia	1.6
Suncor Energy Inc.	1.5
Government of Canada 2.750% Dec 1 2048	1.4
Government of Canada 0.750% Sep 1 2021	1.4
RBC Canadian Small & Mid-Cap Resources Fund	1.3
Government of Canada 0.750% Mar 1 2021	1.3
Enbridge Inc.	1.2
Canadian National Railway Co.	1.1
Province of Ontario 4.650% Jun 2 2041	1.1
Province of Ontario 4.600% Jun 2 2039	1.1
Bank of Montreal	1.0
Province of Ontario 3.150% Jun 2 2022	1.0
Canadian Natural Resources Ltd.	1.0
Hydro-Quebec 6.500% Feb 15 2035	0.9
Brookfield Asset Management Inc., Class A	0.9
Province of Ontario 4.700% Jun 2 2037	0.9
Government of Canada 0.500% Mar 1 2022	0.9
Province of Ontario 2.600% Jun 2 2027	0.9
Province of Ontario 2.850% Jun 2 2023	0.9
Province of Quebec 3.000% Sep 1 2023	0.8
TransCanada Corp.	0.8
Top 25 Holdings	33.1

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.



BALANCED FUND

RBC GLOBAL BALANCED FUND

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England
(for the European equity portion of the Fund)

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China
(for the Asian equity portion of the Fund)

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 pursues long-term capital growth with a secondary focus on modest income. The Fund invests primarily in Canadian, U.S. and international equities and fixed-income securities. It may also invest in income trusts and may use derivatives.

The Fund uses a strategic asset-allocation approach that determines the appropriate asset mix with broad pre-established guidelines for each asset class, and adjusts the percentage of the Fund invested in each asset class as the market outlook changes.

The Fund's target weightings for each asset class are 45% for fixed income, 19% for Canadian equities, 20% for U.S. equities, 12% for international equities and 4% for emerging-markets equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was \$722 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 1.2%. 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.

Global equity markets rose in January but were flat or declined thereafter, with the U.S. stock market showing the best relative strength. Stocks were buffeted by concerns over global trade tensions and somewhat tighter central-bank policies. Offsetting these worries were the short-term positives of U.S. tax cuts and strong corporate-profit growth. Global bonds were generally flat from a total-return perspective. The main source of the Fund's returns was through foreign exchange, as a general appreciation of global currencies versus the Canadian dollar boosted returns when measured in Canadian dollars.

The Canadian dollar fell most against the U.S. dollar and the Japanese yen. U.S. tariffs were aimed at hurting Canada and Europe, in particular, and the currency markets reflected this outcome. The Fund's performance was helped by the currency exposure to non-Canadian stock holdings after currency hedges were removed, offset by the underperformance of stocks in the developed markets of Asia and Europe. Government yields in North America rose slightly, while yields in Europe and Japan were flat. Corporate fixed income was little changed during the period.

The Fund continued to carry a modest overweight position in stocks and an underweight position in bonds. The bond weighting was slightly increased during the weakness early in the year.

Recent Developments

There isn't much change to the portfolio manager's outlook. Stocks are becoming fully valued, and it is unlikely that expanding valuations will continue to drive equities higher. In fact, while earnings growth was very strong to start this year, falling price-to-earnings ratios largely offset the positive growth. Sustainable earnings growth will be critical to sustaining the bull market.

Government-bond yields will have difficulty moving significantly higher, in the view of the portfolio manager, especially longer-dated maturities. Valuations are rich in the corporate-bond market, so historically low credit spreads should provide investors with, at best, just their coupon income.

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.

Sub-Advisors

RBC Global Asset Management (UK) Limited and RBC Investment Management (Asia) Limited are the sub-advisors and provide investment advice for the Fund. The sub-advisors earn a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisors are paid by the manager from the management fee paid by the Fund.



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 \$9,000 (2017 – \$15,000) or 7% (2017 – 6%) 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	Total		
Series A													
June 30, 2018	17.02	0.19	(0.18)	0.39	(0.19)	0.21	—	—	—	—	—	17.23	
Dec. 31, 2017	16.45	0.36	(0.38)	0.92	0.38	1.28	—	—	(0.73)	—	(0.73)	17.02	
Dec. 31, 2016	15.83	0.38	(0.35)	0.62	0.04	0.69	—	—	(0.10)	—	(0.10)	16.45	
Dec. 31, 2015	15.21	0.39	(0.35)	0.79	(0.19)	0.64	—	—	—	—	—	15.83	
Dec. 31, 2014	14.02	0.35	(0.35)	1.25	(0.07)	1.18	—	—	—	—	—	15.21	
Dec. 31, 2013	12.42	0.31	(0.31)	0.99	0.60	1.59	—	—	—	—	—	14.02	
Advisor Series													
June 30, 2018	17.18	0.20	(0.18)	0.40	(0.19)	0.23	—	—	—	—	—	17.40	
Dec. 31, 2017	16.61	0.37	(0.37)	0.93	0.37	1.30	—	—	(0.74)	—	(0.74)	17.18	
Dec. 31, 2016	15.97	0.39	(0.35)	0.63	0.12	0.79	—	—	(0.10)	—	(0.10)	16.61	
Dec. 31, 2015	15.34	0.39	(0.34)	0.80	(0.19)	0.66	—	—	—	—	—	15.97	
Dec. 31, 2014	14.14	0.36	(0.34)	1.26	(0.07)	1.21	—	—	—	—	—	15.34	
Dec. 31, 2013	12.51	0.31	(0.30)	1.00	0.61	1.62	—	—	—	—	—	14.13	
Series T5													
June 30, 2018	13.78	0.16	(0.15)	0.32	(0.13)	0.20	—	(0.30)	—	(0.04)	(0.34)	13.61	
Dec. 31, 2017	13.43	0.29	(0.30)	0.74	0.32	1.05	—	—	(0.58)	(0.09)	(0.67)	13.78	
Dec. 31, 2016	13.51	0.32	(0.29)	0.52	0.30	0.85	—	—	(0.09)	(0.59)	(0.68)	13.43	
Dec. 31, 2015	13.63	0.34	(0.30)	0.70	(0.16)	0.58	—	—	—	(0.68)	(0.68)	13.51	
Dec. 31, 2014	13.20	0.32	(0.32)	1.15	(0.07)	1.08	—	—	—	(0.66)	(0.66)	13.63	
Dec. 31, 2013	12.27	0.30	(0.30)	0.96	0.58	1.54	—	—	—	(0.61)	(0.61)	13.20	
Series T8													
June 30, 2018	8.39	0.09	(0.09)	0.19	(0.07)	0.12	—	(0.16)	—	(0.18)	(0.34)	8.16	
Dec. 31, 2017	8.42	0.18	(0.18)	0.46	0.18	0.64	—	—	(0.32)	(0.35)	(0.67)	8.39	
Dec. 31, 2016	8.74	0.20	(0.18)	0.33	0.13	0.48	—	—	(0.06)	(0.64)	(0.70)	8.42	
Dec. 31, 2015	9.09	0.22	(0.19)	0.46	(0.11)	0.38	—	—	—	(0.73)	(0.73)	8.74	
Dec. 31, 2014	9.07	0.22	(0.21)	0.78	(0.05)	0.74	—	—	—	(0.73)	(0.73)	9.09	
Dec. 31, 2013	8.68	0.21	(0.20)	0.67	0.41	1.09	—	—	—	(0.70)	(0.70)	9.07	
Series D													
June 30, 2018	18.59	0.21	(0.12)	0.43	(0.21)	0.31	—	—	—	—	—	18.90	
Dec. 31, 2017	17.81	0.39	(0.24)	1.00	0.39	1.54	—	—	(0.79)	—	(0.79)	18.59	
Dec. 31, 2016	16.98	0.41	(0.23)	0.67	0.09	0.94	—	—	(0.10)	—	(0.10)	17.81	
Dec. 31, 2015	16.17	0.41	(0.22)	0.85	(0.20)	0.84	—	—	—	—	—	16.98	
Dec. 31, 2014	14.78	0.37	(0.23)	1.33	(0.08)	1.39	—	—	—	—	—	16.17	
Dec. 31, 2013	12.98	0.33	(0.21)	1.04	0.63	1.79	—	—	—	—	—	14.77	



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 F												
June 30, 2018	20.07	0.23	(0.10)	0.47	(0.20)	0.40	—	—	—	—	—	20.44
Dec. 31, 2017	19.17	0.42	(0.21)	1.08	0.46	1.75	—	—	(0.84)	—	(0.84)	20.07
Dec. 31, 2016	18.23	0.45	(0.20)	0.73	0.12	1.10	—	—	(0.11)	—	(0.11)	19.17
Dec. 31, 2015	17.31	0.44	(0.19)	0.91	(0.21)	0.95	—	—	—	—	—	18.23
Dec. 31, 2014	15.78	0.40	(0.20)	1.42	(0.08)	1.54	—	—	—	—	—	17.31
Dec. 31, 2013	13.82	0.35	(0.18)	1.11	0.67	1.95	—	—	—	—	—	15.77
Series O												
June 30, 2018	21.00	0.24	—	0.49	(0.21)	0.52	—	—	—	—	—	21.50
Dec. 31, 2017	19.85	0.44	—	1.13	0.47	2.04	—	—	(0.87)	—	(0.87)	21.00
Dec. 31, 2016	18.69	0.46	—	0.74	0.16	1.36	—	—	(0.11)	—	(0.11)	19.85
Dec. 31, 2015	17.57	0.45	—	0.93	(0.22)	1.16	—	—	—	—	—	18.69
Dec. 31, 2014	15.83	0.40	—	1.43	(0.08)	1.75	—	—	—	—	—	17.57
Dec. 31, 2013	13.70	0.35	—	1.11	0.67	2.13	—	—	—	—	—	15.82

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.

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	17.23	603 856	35 051	2.21	2.21	51.19	0.05
Dec. 31, 2017	17.02	630 441	37 050	2.21	2.21	55.70	0.06
Dec. 31, 2016	16.45	647 952	39 385	2.21	2.21	53.75	0.08
Dec. 31, 2015	15.83	701 620	44 317	2.21	2.21	91.51	0.08
Dec. 31, 2014	15.21	742 388	48 812	2.38	2.38	97.75	0.12
Dec. 31, 2013	14.02	754 204	53 778	2.37	2.37	92.31	0.13
Advisor Series							
June 30, 2018	17.40	10 483	603	2.18	2.18	51.19	0.05
Dec. 31, 2017	17.18	9 145	532	2.19	2.19	55.70	0.06
Dec. 31, 2016	16.61	8 296	500	2.17	2.17	53.75	0.08
Dec. 31, 2015	15.97	7 619	477	2.17	2.17	91.51	0.08
Dec. 31, 2014	15.34	6 996	456	2.32	2.32	97.75	0.12
Dec. 31, 2013	14.14	5 435	384	2.29	2.29	92.31	0.13
Series T5							
June 30, 2018	13.61	621	46	2.17	2.17	51.19	0.05
Dec. 31, 2017	13.78	495	36	2.20	2.20	55.70	0.06
Dec. 31, 2016	13.43	438	33	2.21	2.21	53.75	0.08
Dec. 31, 2015	13.51	87	6	2.21	2.21	91.51	0.08
Dec. 31, 2014	13.63	59	4	2.38	2.38	97.75	0.12
Dec. 31, 2013	13.20	120	9	2.37	2.37	92.31	0.13



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 T8							
June 30, 2018	8.16	6 746	827	2.12	2.12	51.19	0.05
Dec. 31, 2017	8.39	5 340	636	2.12	2.12	55.70	0.06
Dec. 31, 2016	8.42	6 906	820	2.14	2.14	53.75	0.08
Dec. 31, 2015	8.74	3 108	356	2.17	2.17	91.51	0.08
Dec. 31, 2014	9.09	687	76	2.36	2.36	97.75	0.12
Dec. 31, 2013	9.07	368	41	2.31	2.31	92.31	0.13
Series D							
June 30, 2018	18.90	26 245	1 389	1.32	1.32	51.19	0.05
Dec. 31, 2017	18.59	24 797	1 334	1.33	1.33	55.70	0.06
Dec. 31, 2016	17.81	18 365	1 031	1.33	1.33	53.75	0.08
Dec. 31, 2015	16.98	15 962	940	1.33	1.33	91.51	0.08
Dec. 31, 2014	16.17	13 315	823	1.49	1.49	97.75	0.12
Dec. 31, 2013	14.78	11 178	756	1.49	1.49	92.31	0.13
Series F							
June 30, 2018	20.44	40 898	2 001	1.03	1.03	51.19	0.05
Dec. 31, 2017	20.07	28 371	1 414	1.05	1.05	55.70	0.06
Dec. 31, 2016	19.17	12 612	658	1.06	1.06	53.75	0.08
Dec. 31, 2015	18.23	3 158	173	1.06	1.06	91.51	0.08
Dec. 31, 2014	17.31	2 165	125	1.21	1.21	97.75	0.12
Dec. 31, 2013	15.78	1 038	66	1.20	1.20	92.31	0.13
Series O							
June 30, 2018	21.50	33 363	1 552	0.03	0.03	51.19	0.05
Dec. 31, 2017	21.00	28 417	1 353	0.04	0.04	55.70	0.06
Dec. 31, 2016	19.85	19 714	993	0.04	0.04	53.75	0.08
Dec. 31, 2015	18.69	14 098	754	0.04	0.04	91.51	0.08
Dec. 31, 2014	17.57	6 644	378	0.04	0.04	97.75	0.12
Dec. 31, 2013	15.83	4 113	260	0.03	0.03	92.31	0.13

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.



FINANCIAL HIGHLIGHTS (cont.)

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	1.85%	50%	50%
Advisor Series	1.85%	50%	50%
Series T5	1.85%	50%	50%
Series T8	1.85%	50%	50%
Series D	1.10%	20%	80%
Series F	0.85%	—	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.

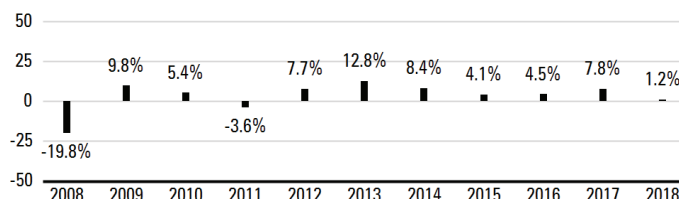
PAST PERFORMANCE

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.

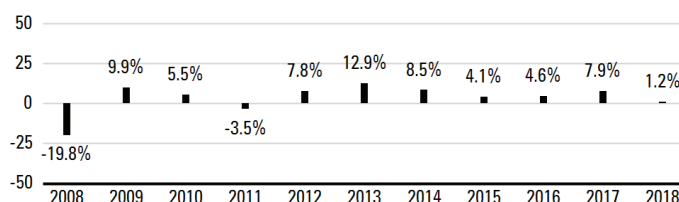
Year-by-Year Returns (%)

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.

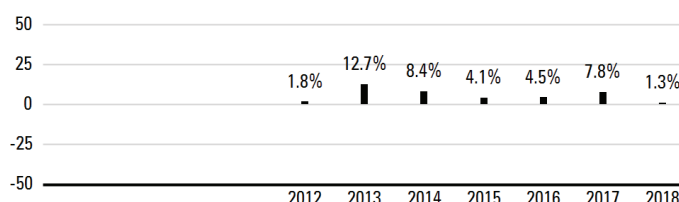
Series A (%)



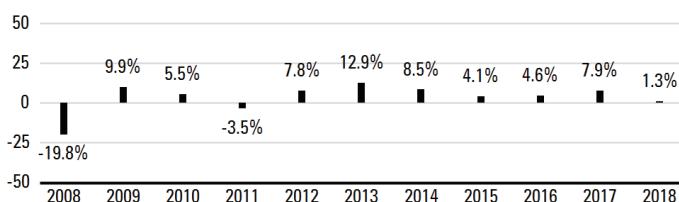
Advisor Series (%)



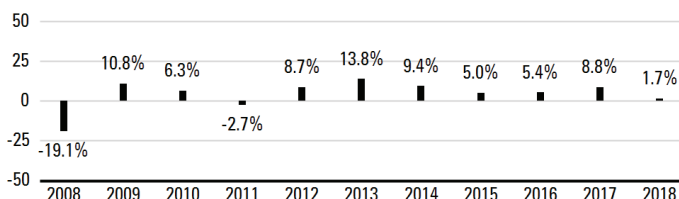
Series T5 (%)



Series T8 (%)

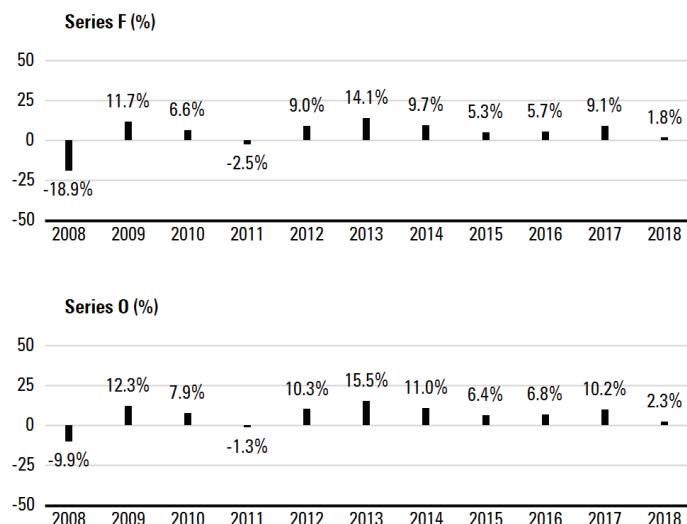


Series D (%)





PAST PERFORMANCE (cont.)



Series T5 units have been available for sale to unitholders since September 24, 2012, and Series O units since September 22, 2008.

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
Foreign Bonds	22.1
United States Equities	18.1
Canadian Equities	17.7
Canadian Bonds	17.0
International Equities	11.4
Underlying Funds	7.9
Cash/Other	5.8

Top 25 Holdings

	% of Net Asset Value
RBC Emerging Markets Equity Fund	3.3
Cash & Cash Equivalents	3.2
Japan Government Twenty Year JPY 0.500% Sep 20 2036	1.9
United States Treasury 1.750% May 15 2023	1.7
Royal Bank of Canada	1.3
Toronto-Dominion Bank	1.3
Buoni Poliennali Del Tesoro EUR 0.450% Jun 1 2021	1.2
Province of Ontario USD 2.500% Sep 10 2021	1.2
United States Treasury 1.500% Jan 31 2022	1.2
Buoni Poliennali Del Tesoro EUR 1.450% Sep 15 2022	1.1
United States Treasury 2.500% Feb 15 2045	1.0
RBC U.S. Mid-Cap Growth Equity Fund	1.0
Apple Inc.	1.0
Suncor Energy Inc.	0.9
RBC Canadian Small & Mid-Cap Resources Fund	0.9
Bank of Nova Scotia	0.8
Spain Government EUR 2.750% Apr 30 2019	0.8
Microsoft Corp.	0.8
United States Treasury 2.375% May 15 2027	0.8
Province of Ontario 4.700% Jun 2 2037	0.8
Amazon.com, Inc.	0.7
RBC U.S. Mid-Cap Value Equity Fund	0.7
Bundesrepublik Deutschland EUR 4.000% Jan 4 2037	0.7
Enbridge Inc.	0.7
Canadian National Railway Co.	0.7
Top 25 Holdings	29.7

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.



BALANCED FUND

RBC VISION BALANCED 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 provides the potential for long-term capital growth, with a secondary focus on modest income, by investing primarily in Canadian, U.S. and international equities and fixed-income securities, either directly or indirectly through investment in other funds managed by RBC GAM or an affiliate of RBC GAM. The Fund follows a socially responsible approach to investing. Investments that qualify for inclusion in the Fund must possess strong environmental, social and governance practices relative to industry peers, as defined by Sustainalytics Best-of-Sector™ methodology.

The Fund's target weightings for each asset class are 45% for fixed income, 19% for Canadian equities, 20% for U.S. equities and 16% for international equities. The target weightings may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was \$206 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 2.9%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. The Fund's sole fixed-income holding, the RBC Vision Bond Fund, had a positive impact on returns.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. The RBC Vision Global Equity Fund and the RBC Vision Canadian Equity Fund both contributed to the portfolio's returns.

Sustainalytics conducted one review covering the Fund's holdings in the first half of 2018. Eligibility was determined in relation to the Environmental, Social and Governance ("ESG") criteria developed by RBC GAM in consultation with Sustainalytics. In the opinion of Sustainalytics, all holdings in the Fund were eligible in the latest review, based on the above criteria. However, during the year, six companies were removed from the Fund or from an underlying fund as they no longer met certain ESG criteria.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight fixed income but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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.

™ Best-of-Sector is a trademark of Sustainalytics. Used under licence.



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 \$0 (2017 – \$1,000) or 0% (2017 – 4%) 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	Total	
Series A												
June 30, 2018	11.71	0.05	(0.12)	0.04	0.37	0.34	—	—	—	—	—	12.05
Dec. 31, 2017	11.56	0.24	(0.25)	1.15	(0.24)	0.90	—	—	(0.73)	—	(0.73)	11.71
Dec. 31, 2016	11.19	0.25	(0.25)	0.13	0.26	0.39	—	(0.01)	—	—	(0.01)	11.56
Dec. 31, 2015	11.17	0.28	(0.26)	0.42	(0.01)	0.43	—	(0.02)	(0.47)	—	(0.49)	11.19
Dec. 31, 2014	11.03	0.26	(0.27)	1.08	(0.01)	1.06	—	—	(0.93)	—	(0.93)	11.17
Dec. 31, 2013	9.64	0.27	(0.25)	0.55	0.94	1.51	—	—	(0.11)	—	(0.11)	11.03
Advisor Series												
June 30, 2018	11.77	0.05	(0.12)	0.04	0.37	0.34	—	—	—	—	—	12.11
Dec. 31, 2017	11.62	0.22	(0.25)	1.05	(0.04)	0.98	—	—	(0.74)	—	(0.74)	11.77
Dec. 31, 2016	11.25	0.25	(0.24)	0.13	0.28	0.42	—	(0.01)	—	—	(0.01)	11.62
Dec. 31, 2015	11.21	0.28	(0.25)	0.42	(0.01)	0.44	—	(0.02)	(0.47)	—	(0.49)	11.25
Dec. 31, 2014	11.06	0.26	(0.27)	1.08	(0.01)	1.06	—	—	(0.93)	—	(0.93)	11.21
Dec. 31, 2013	9.67	0.27	(0.24)	0.55	0.94	1.52	—	—	(0.11)	—	(0.11)	11.06
Series D												
June 30, 2018	12.43	0.06	(0.08)	0.05	0.38	0.41	—	—	—	—	—	12.84
Dec. 31, 2017	12.15	0.25	(0.16)	1.23	(0.29)	1.03	—	—	(0.77)	—	(0.77)	12.43
Dec. 31, 2016	11.69	0.26	(0.16)	0.14	0.21	0.45	—	(0.03)	—	—	(0.03)	12.15
Dec. 31, 2015	11.59	0.29	(0.16)	0.44	(0.01)	0.56	—	(0.04)	(0.50)	—	(0.54)	11.69
Dec. 31, 2014	11.33	0.27	(0.18)	1.12	(0.02)	1.19	—	—	(0.94)	—	(0.94)	11.59
Dec. 31, 2013	9.86	0.27	(0.16)	0.56	0.96	1.63	—	(0.05)	(0.11)	—	(0.16)	11.33
Series DZ												
June 30, 2018	9.78	0.04	(0.04)	0.04	0.30	0.34	—	—	—	—	—	10.12
Dec. 31, 2017 ³	10.00 [†]	0.10	(0.06)	0.47	0.11	0.62	—	—	(0.61)	—	(0.61)	9.78
Series F												
June 30, 2018	12.59	0.06	(0.06)	0.05	0.41	0.46	—	—	—	—	—	13.03
Dec. 31, 2017	12.29	0.23	(0.12)	1.11	(0.05)	1.17	—	—	(0.78)	—	(0.78)	12.59
Dec. 31, 2016	11.80	0.27	(0.13)	0.14	0.33	0.61	—	(0.04)	—	—	(0.04)	12.29
Dec. 31, 2015	11.67	0.29	(0.13)	0.44	(0.01)	0.59	—	(0.05)	(0.50)	—	(0.55)	11.80
Dec. 31, 2014	11.38	0.27	(0.15)	1.11	(0.02)	1.21	—	—	(0.95)	—	(0.95)	11.67
Dec. 31, 2013	9.89	0.27	(0.13)	0.56	0.96	1.66	—	(0.07)	(0.11)	—	(0.18)	11.38



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	Total	
Series O												
June 30, 2018	9.81	0.04	—	0.04	0.33	0.41	—	—	—	—	—	10.20
Dec. 31, 2017 ³	10.00 [†]	0.10	—	0.47	0.09	0.66	—	—	(0.61)	—	(0.61)	9.81

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 May 19, 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	12.05	122 994	10 206	2.06	2.06	35.25	0.04
Dec. 31, 2017	11.71	116 016	9 905	2.14 ⁴	2.14	46.42	0.08
Dec. 31, 2016	11.56	95 557	8 268	2.21	2.21	67.30	0.07
Dec. 31, 2015	11.19	86 550	7 732	2.21	2.21	267.38	0.12
Dec. 31, 2014	11.17	67 611	6 055	2.38	2.38	192.99	0.13
Dec. 31, 2013	11.03	49 671	4 504	2.38	2.38	89.03	0.07
Advisor Series							
June 30, 2018	12.11	21 523	1 778	2.04	2.04	35.25	0.04
Dec. 31, 2017	11.77	19 298	1 640	2.09 ⁴	2.09	46.42	0.08
Dec. 31, 2016	11.62	6 002	516	2.13	2.13	67.30	0.07
Dec. 31, 2015	11.25	5 113	455	2.15	2.15	267.38	0.12
Dec. 31, 2014	11.21	2 699	241	2.32	2.32	192.99	0.13
Dec. 31, 2013	11.06	1 912	173	2.33	2.33	89.03	0.07
Series D							
June 30, 2018	12.84	3 827	298	1.23	1.23	35.25	0.04
Dec. 31, 2017	12.43	3 319	267	1.27 ⁴	1.27	46.42	0.08
Dec. 31, 2016	12.15	2 876	237	1.34	1.34	67.30	0.07
Dec. 31, 2015	11.69	3 159	270	1.33	1.33	267.38	0.12
Dec. 31, 2014	11.59	1 947	168	1.50	1.50	192.99	0.13
Dec. 31, 2013	11.33	1 360	120	1.51	1.51	89.03	0.07
Series DZ							
June 30, 2018	10.12	24 134	2 385	0.94	0.94	35.25	0.04
Dec. 31, 2017 ⁵	9.78	23 779	2 431	0.98	0.98	46.42	0.08
Series F							
June 30, 2018	13.03	32 738	2 513	0.94	0.94	35.25	0.04
Dec. 31, 2017	12.59	24 837	1 973	0.98 ⁴	0.98	46.42	0.08
Dec. 31, 2016	12.29	5 354	436	1.05	1.05	67.30	0.07
Dec. 31, 2015	11.80	2 308	196	1.07	1.07	267.38	0.12
Dec. 31, 2014	11.67	1 118	96	1.25	1.25	192.99	0.13
Dec. 31, 2013	11.38	481	42	1.25	1.25	89.03	0.07



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 O							
June 30, 2018	10.20	742	73	0.04	0.04	35.25	0.04
Dec. 31, 2017⁵	9.81	834	85	0.04	0.04	46.42	0.08

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, 2017, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F units of the Fund and the administration fees were changed in respect of Series A units of the Fund. If the changes to the management fees and administration fees would have been in effect throughout 2017, the adjusted MER for each series of the Fund would be: Series A – 2.04%, Advisor Series – 2.03%, Series D – 1.20% and Series F – 0.93%.

⁵ From May 19, 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	1.75%	50%	50%
Advisor Series	1.75%	50%	50%
Series D	1.00%	20%	80%
Series DZ	0.75%	33%	67%
Series F	0.75%	—	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.

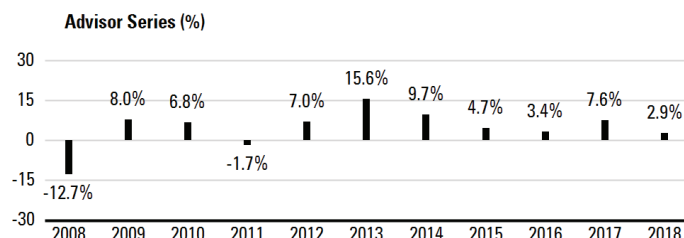
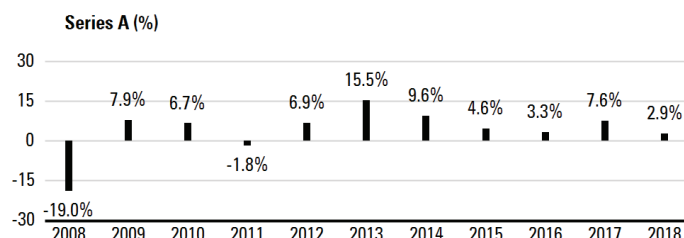


PAST PERFORMANCE

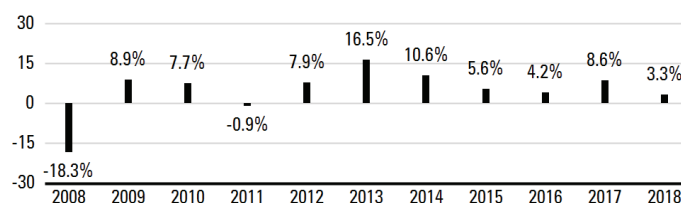
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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.



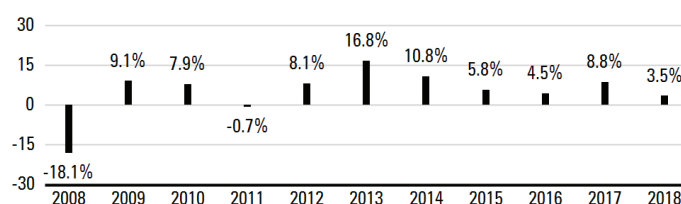
Series D (%)



Series DZ (%)



Series F (%)



Series O (%)



Series DZ and Series O units have been available for sale to unitholders since May 19, 2017, and Advisor Series units since January 21, 2008.

Inception dates are not provided for series that have been in existence for more than 10 years.

Series DZ units have been capped and are no longer available for purchase by new investors effective June 30, 2017.

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
Equity Funds	57.9
Foreign Bonds	24.1
Income Funds	14.1
Canadian Bonds	2.0
Cash/Other	1.9

Top 25 Holdings

	% of Net Asset Value
RBC Vision Global Equity Fund	36.1
RBC Vision Canadian Equity Fund	21.7
RBC Vision Bond Fund	14.1
United States Treasury 1.750% May 15 2023	2.2
United States Treasury 1.500% Jan 31 2022	1.9
Cash & Cash Equivalents	1.9
United States Treasury 1.500% Nov 30 2019	1.4
Buoni Poliennali Del Tesoro EUR 1.450% Sep 15 2022	1.4
Government of Canada 0.750% Aug 1 2019	1.1
United States Treasury 2.375% May 15 2027	1.1
Japan Government Twenty Year JPY 0.200% Jun 20 2036	1.0
United States Treasury 1.625% Jul 31 2020	0.9
Spain Government EUR 1.150% Jul 30 2020	0.8
Japan Government Ten Year JPY 0.100% Sep 20 2027	0.7
Buoni Poliennali Del Tesoro EUR 0.450% Jun 1 2021	0.7
United States Treasury 2.500% Feb 15 2045	0.6
Spain Government EUR 0.450% Oct 31 2022	0.6
Belgium Government EUR 2.600% Jun 22 2024	0.6
Province of Ontario USD 2.500% Sep 10 2021	0.6
France O.A.T. EUR 0.500% May 25 2026	0.6
United Kingdom Gilt GBP 3.250% Jan 22 2044	0.5
Australia Government AUD 2.250% May 21 2028	0.5
France O.A.T. EUR 1.250% May 25 2036	0.5
United Kingdom Gilt GBP 1.250% Jul 22 2027	0.5
Denmark Government DKK 1.500% Nov 15 2023	0.5
Top 25 Holdings	92.5

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.



BALANCED FUND

**RBC CONSERVATIVE
GROWTH & INCOME 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 a combination of capital growth and modest income.

To achieve the objective, the Fund invests primarily in a diversified portfolio of income-producing equity and fixed-income securities anywhere in the world, either directly or indirectly, through investments in other mutual funds managed by RBC GAM or an affiliate. The Fund may also invest in emerging-market equity securities and emerging-market government and corporate bonds.

The Fund's target weightings for each asset class are 80% for fixed-income and 20% for equities. The target weightings for each class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was \$176 million as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 0.7%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns were held back by holdings in the RBC Global High Yield Bond Fund, offset by the positive impact of exposure to the Phillips, Hager & North Total Return Bond Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic

growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Performance benefited from an allocation to the RBC U.S. Dividend Fund, while exposure to the RBC Emerging Markets Dividend Fund had a negative impact on returns.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight fixed income but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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.

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	Total	
Series A												
June 30, 2018	10.17	0.19	(0.08)	0.01	(0.19)	(0.07)	(0.05)	(0.03)	—	—	(0.08)	10.02
Dec. 31, 2017	9.84	0.35	(0.17)	0.04	0.23	0.45	(0.10)	(0.04)	(0.01)	—	(0.15)	10.17
Dec. 31, 2016	9.57	0.35	(0.16)	0.01	0.23	0.43	(0.14)	(0.06)	(0.01)	—	(0.21)	9.84
Dec. 31, 2015	10.00	0.37	(0.15)	(0.08)	(0.42)	(0.28)	(0.14)	(0.05)	(0.09)	—	(0.28)	9.57
Dec. 31, 2014 ³	10.00 [†]	—	—	—	—	—	—	—	—	—	—	10.00
Advisor Series												
June 30, 2018	10.17	0.19	(0.08)	0.01	(0.19)	(0.07)	(0.05)	(0.03)	—	—	(0.08)	10.01
Dec. 31, 2017	9.83	0.36	(0.17)	0.04	0.23	0.46	(0.09)	(0.04)	(0.01)	—	(0.14)	10.17
Dec. 31, 2016	9.57	0.35	(0.16)	0.01	0.29	0.49	(0.14)	(0.06)	(0.01)	—	(0.21)	9.83
Dec. 31, 2015	10.00	0.36	(0.15)	(0.08)	(0.41)	(0.28)	(0.14)	(0.05)	(0.09)	—	(0.28)	9.57
Dec. 31, 2014 ³	10.00 [†]	—	—	—	—	—	—	—	—	—	—	10.00
Advisor T5 Series												
June 30, 2018	9.36	0.19	(0.08)	0.01	(0.16)	(0.04)	(0.05)	(0.03)	—	(0.15)	(0.23)	9.06
Dec. 31, 2017	9.38	0.36	(0.17)	0.04	0.16	0.39	(0.10)	(0.05)	(0.01)	(0.31)	(0.47)	9.36
Dec. 31, 2016	9.39	0.35	(0.16)	0.01	0.26	0.46	(0.13)	(0.05)	(0.01)	(0.28)	(0.47)	9.38
Dec. 31, 2015	10.00	0.36	(0.15)	(0.08)	(0.41)	(0.28)	(0.13)	(0.05)	(0.14)	(0.14)	(0.46)	9.39
Dec. 31, 2014 ³	10.00 [†]	—	—	—	—	—	—	—	—	—	—	10.00
Series T5												
June 30, 2018	9.36	0.17	(0.08)	0.01	(0.17)	(0.07)	(0.05)	(0.03)	—	(0.15)	(0.23)	9.06
Dec. 31, 2017	9.38	0.33	(0.16)	0.04	0.20	0.41	(0.11)	(0.05)	(0.01)	(0.30)	(0.47)	9.36
Dec. 31, 2016	9.39	0.34	(0.16)	0.01	0.23	0.42	(0.13)	(0.05)	(0.01)	(0.28)	(0.47)	9.38
Dec. 31, 2015	10.00	0.35	(0.15)	(0.07)	(0.40)	(0.27)	(0.12)	(0.03)	(0.13)	(0.18)	(0.46)	9.39
Dec. 31, 2014 ³	10.00 [†]	—	—	—	—	—	—	—	—	—	—	10.00
Series F												
June 30, 2018	10.17	0.19	(0.04)	0.01	(0.18)	(0.02)	(0.08)	(0.04)	—	—	(0.12)	10.02
Dec. 31, 2017	9.85	0.35	(0.08)	0.04	0.16	0.47	(0.16)	(0.07)	(0.01)	—	(0.24)	10.17
Dec. 31, 2016	9.57	0.35	(0.08)	0.01	0.18	0.46	(0.18)	(0.08)	(0.01)	—	(0.27)	9.85
Dec. 31, 2015	10.00	0.34	(0.08)	(0.07)	(0.39)	(0.20)	(0.20)	(0.06)	(0.10)	—	(0.36)	9.57
Dec. 31, 2014 ³	10.00 [†]	—	—	—	—	—	—	—	—	—	—	10.00
Series FT5												
June 30, 2018	9.58	0.18	(0.04)	0.01	(0.17)	(0.02)	(0.08)	(0.05)	—	(0.11)	(0.24)	9.31
Dec. 31, 2017	9.52	0.35	(0.08)	0.04	0.20	0.51	(0.16)	(0.08)	(0.01)	(0.22)	(0.47)	9.58
Dec. 31, 2016	9.45	0.34	(0.08)	0.01	0.23	0.50	(0.17)	(0.08)	(0.01)	(0.21)	(0.47)	9.52
Dec. 31, 2015	10.00	0.33	(0.08)	(0.07)	(0.38)	(0.20)	(0.11)	(0.03)	(0.34)	—	(0.48)	9.45
Dec. 31, 2014 ³	10.00 [†]	—	—	—	—	—	—	—	—	—	—	10.00



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	Total	
Series I												
June 30, 2018	10.10	0.19	(0.03)	0.01	(0.19)	(0.02)	(0.08)	(0.04)	—	—	(0.12)	9.95
Dec. 31, 2017	9.79	0.36	(0.07)	0.04	0.24	0.57	(0.17)	(0.07)	(0.02)	—	(0.26)	10.10
Dec. 31, 2016	9.56	0.35	(0.07)	0.01	0.33	0.62	(0.23)	(0.10)	(0.01)	—	(0.34)	9.79
Dec. 31, 2015	10.00	0.35	(0.07)	(0.07)	(0.40)	(0.19)	(0.21)	(0.06)	(0.10)	—	(0.37)	9.56
Dec. 31, 2014 ³	10.00 [†]	—	—	—	—	—	—	—	—	—	—	10.00
Series O												
June 30, 2018	10.17	0.19	—	0.01	(0.16)	0.04	(0.11)	(0.05)	—	—	(0.16)	10.01
Dec. 31, 2017	9.85	0.34	—	0.04	0.23	0.61	(0.22)	(0.09)	(0.02)	—	(0.33)	10.17
Dec. 31, 2016	9.56	0.34	—	0.01	0.06	0.41	(0.24)	(0.10)	(0.01)	—	(0.35)	9.85
Dec. 31, 2015	10.00	0.66	—	(0.14)	(0.76)	(0.24)	(0.25)	(0.08)	(0.11)	—	(0.44)	9.56
Dec. 31, 2014 ³	10.00 [†]	—	—	—	—	—	—	—	—	—	—	10.00

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 November 12, 2014.

[†] 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	10.02	75 108	7 499	1.70	1.70	10.23	0.03
Dec. 31, 2017	10.17	73 861	7 266	1.70	1.70	5.14	0.03
Dec. 31, 2016	9.84	39 746	4 041	1.69	1.69	27.72	0.05
Dec. 31, 2015	9.57	30 139	3 151	1.68	1.69	51.34	0.06
Dec. 31, 2014 ⁴	10.00	1 000	100	1.73	1.73	—	—
Advisor Series							
June 30, 2018	10.01	18 805	1 878	1.71	1.71	10.23	0.03
Dec. 31, 2017	10.17	18 396	1 810	1.72	1.72	5.14	0.03
Dec. 31, 2016	9.83	15 504	1 577	1.72	1.72	27.72	0.05
Dec. 31, 2015	9.57	14 475	1 513	1.74	1.75	51.34	0.06
Dec. 31, 2014 ⁴	10.00	1 000	100	1.73	1.73	—	—
Advisor T5 Series							
June 30, 2018	9.06	3 395	375	1.67	1.67	10.23	0.03
Dec. 31, 2017	9.36	1 879	201	1.74	1.74	5.14	0.03
Dec. 31, 2016	9.38	1 114	119	1.74	1.74	27.72	0.05
Dec. 31, 2015	9.39	1 215	129	1.70	1.71	51.34	0.06
Dec. 31, 2014 ⁴	10.00	1 000	100	1.73	1.73	—	—
Series T5							
June 30, 2018	9.06	1 852	204	1.71	1.71	10.23	0.03
Dec. 31, 2017	9.36	1 626	174	1.71	1.71	5.14	0.03
Dec. 31, 2016	9.38	1 194	127	1.75	1.75	27.72	0.05
Dec. 31, 2015	9.39	816	87	1.75	1.76	51.34	0.06
Dec. 31, 2014 ⁴	10.00	1 000	100	1.73	1.73	—	—



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 F							
June 30, 2018	10.02	43 201	4 312	0.87	0.87	10.23	0.03
Dec. 31, 2017	10.17	33 687	3 313	0.87	0.87	5.14	0.03
Dec. 31, 2016	9.85	14 073	1 429	0.88	0.88	27.72	0.05
Dec. 31, 2015	9.57	10 234	1 070	0.89	0.90	51.34	0.06
Dec. 31, 2014 ⁴	10.00	1 000	100	0.89	0.89	—	—
Series FT5							
June 30, 2018	9.31	7 062	758	0.85	0.85	10.23	0.03
Dec. 31, 2017	9.58	5 392	563	0.86	0.86	5.14	0.03
Dec. 31, 2016	9.52	4 288	450	0.85	0.85	27.72	0.05
Dec. 31, 2015	9.45	2 310	245	0.90	0.90	51.34	0.06
Dec. 31, 2014 ⁴	10.00	1 000	100	0.89	0.89	—	—
Series I							
June 30, 2018	9.95	1 871	188	0.75	0.75	10.23	0.03
Dec. 31, 2017	10.10	1 884	187	0.75	0.75	5.14	0.03
Dec. 31, 2016	9.79	1 709	175	0.78	0.78	27.72	0.05
Dec. 31, 2015	9.56	2 622	274	0.78	0.79	51.34	0.06
Dec. 31, 2014 ⁴	10.00	1 000	100	0.77	0.77	—	—
Series O							
June 30, 2018	10.01	24 927	2 489	0.07	0.07	10.23	0.03
Dec. 31, 2017	10.17	18 061	1 777	0.07	0.07	5.14	0.03
Dec. 31, 2016	9.85	4 413	448	0.07	0.07	27.72	0.05
Dec. 31, 2015	9.56	128	13	0.07	0.07	51.34	0.06
Dec. 31, 2014 ⁴	10.00	142 000	14 200	0.06	0.06	—	—

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 From November 12, 2014.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund. Management fees paid by each series of the Fund are calculated at the applicable 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	1.40%	54%	46%
Advisor Series	1.40%	54%	46%
Advisor T5 Series	1.40%	54%	46%
Series T5	1.40%	54%	46%
Series F	0.65%	—	100%
Series FT5	0.65%	—	100%
Series I	0.55%	—	100%

Series O – no management fees are paid by the Fund in respect of 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.

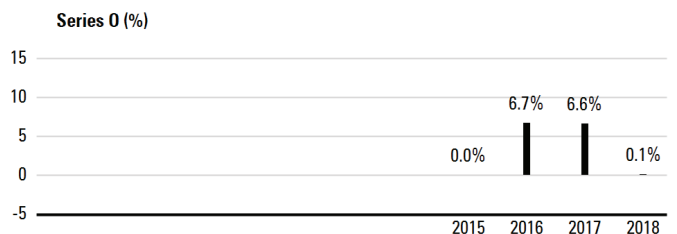
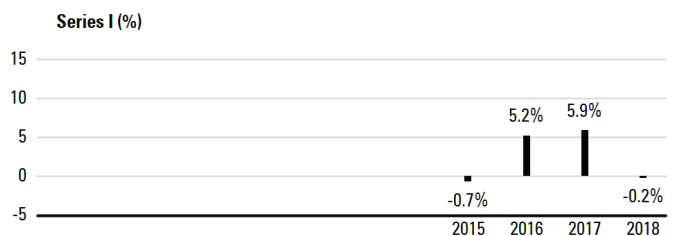
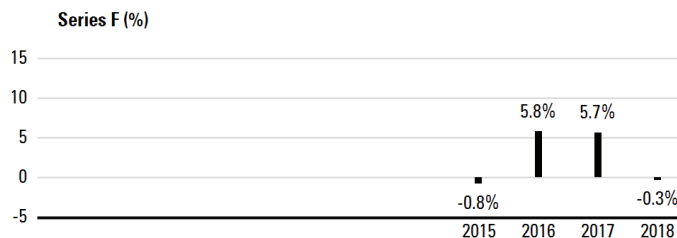
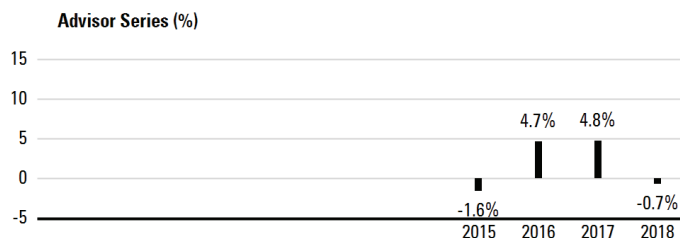
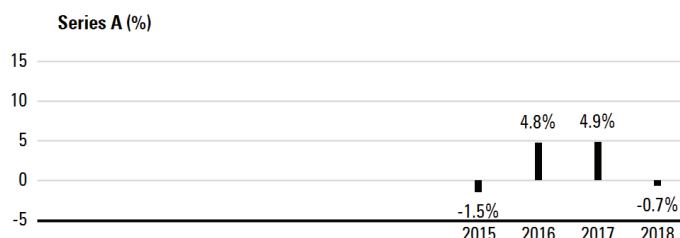


PAST PERFORMANCE

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 A, Advisor Series, Advisor T5 Series, Series T5, Series F, Series FT5, Series I and Series O units have been available for sale to unitholders since January 26, 2015.

Inception dates are not provided for series that have been in existence for more than 10 years.

Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016.

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
Income Funds	76.4
Canadian Equity Funds	10.8
United States Equity Funds	7.0
International Equity Funds	5.7
Cash/Other	0.1

Top 25 Holdings*

	% of Net Asset Value
Phillips, Hager & North Total Return Bond Fund	26.6
RBC Bond Fund	26.5
RBC Canadian Equity Income Fund	10.8
RBC Global Corporate Bond Fund	9.2
RBC U.S. Dividend Fund	7.0
RBC Global High Yield Bond Fund	7.0
BlueBay Global Monthly Income Bond Fund	7.0
RBC Emerging Markets Dividend Fund	3.5
RBC European Dividend Fund	2.2
Cash & Cash Equivalents	0.2
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



BALANCED FUND

**RBC BALANCED
GROWTH & INCOME 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 a combination of capital growth and modest income by investing primarily in a diversified portfolio of income-producing equity and fixed-income securities from anywhere around the world either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate. The Fund may invest in emerging-market equity securities and emerging-market government and corporate bonds.

The Fund's target weightings for each asset class are 40% for fixed-income and 60% for equities. The target weightings for each class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was \$1.6 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 0.7%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns were held back by exposure to the RBC Global High Yield Bond Fund and the RBC Global Corporate Bond Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Performance benefited from the Fund's allocations to both Canadian equities and U.S. equities.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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 \$72,000 (2017 – \$49,000) or 15% (2017 – 14%) 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	Total	
Series A												
June 30, 2018	12.67	0.22	(0.13)	0.10	(0.27)	(0.08)	(0.01)	(0.06)	—	—	(0.07)	12.51
Dec. 31, 2017	11.93	0.41	(0.25)	0.28	0.53	0.97	(0.02)	(0.12)	(0.11)	—	(0.25)	12.67
Dec. 31, 2016	11.02	0.39	(0.23)	0.11	0.76	1.03	(0.02)	(0.14)	—	—	(0.16)	11.93
Dec. 31, 2015	11.30	0.41	(0.23)	0.22	(0.40)	—	(0.02)	(0.13)	(0.27)	—	(0.42)	11.02
Dec. 31, 2014	10.62	0.39	(0.23)	0.34	0.47	0.97	(0.02)	(0.11)	(0.27)	—	(0.40)	11.30
Dec. 31, 2013 ³	10.00 [†]	0.20	(0.09)	0.04	0.63	0.78	(0.05)	(0.02)	(0.03)	—	(0.10)	10.62
Advisor Series												
June 30, 2018	12.67	0.22	(0.13)	0.10	(0.27)	(0.08)	(0.01)	(0.06)	—	—	(0.07)	12.52
Dec. 31, 2017	11.93	0.41	(0.25)	0.28	0.55	0.99	(0.02)	(0.12)	(0.11)	—	(0.25)	12.67
Dec. 31, 2016	11.03	0.39	(0.23)	0.11	0.76	1.03	(0.02)	(0.14)	—	—	(0.16)	11.93
Dec. 31, 2015	11.30	0.41	(0.24)	0.22	(0.39)	—	(0.02)	(0.13)	(0.27)	—	(0.42)	11.03
Dec. 31, 2014	10.62	0.39	(0.23)	0.34	0.48	0.98	(0.02)	(0.12)	(0.27)	—	(0.41)	11.30
Dec. 31, 2013 ³	10.00 [†]	0.20	(0.09)	0.04	0.63	0.78	(0.04)	(0.02)	(0.03)	—	(0.09)	10.62
Advisor T5 Series												
June 30, 2018	11.46	0.22	(0.13)	0.10	(0.27)	(0.08)	(0.01)	(0.11)	—	(0.17)	(0.29)	11.10
Dec. 31, 2017	11.11	0.41	(0.25)	0.28	0.49	0.93	(0.02)	(0.12)	(0.09)	(0.33)	(0.56)	11.46
Dec. 31, 2016	10.64	0.39	(0.23)	0.11	0.70	0.97	(0.02)	(0.12)	—	(0.39)	(0.53)	11.11
Dec. 31, 2015	11.04	0.41	(0.24)	0.22	(0.39)	—	(0.01)	(0.08)	(0.22)	(0.24)	(0.55)	10.64
Dec. 31, 2014	10.51	0.39	(0.23)	0.34	0.48	0.98	(0.02)	(0.11)	(0.32)	(0.08)	(0.53)	11.04
Dec. 31, 2013 ³	10.00 [†]	0.20	(0.09)	0.04	0.63	0.78	(0.05)	(0.03)	(0.04)	(0.09)	(0.21)	10.51
Series T5												
June 30, 2018	11.46	0.20	(0.11)	0.09	(0.24)	(0.06)	(0.01)	(0.10)	—	(0.18)	(0.29)	11.10
Dec. 31, 2017	11.11	0.37	(0.23)	0.25	0.46	0.85	(0.02)	(0.12)	(0.08)	(0.34)	(0.56)	11.46
Dec. 31, 2016	10.64	0.37	(0.22)	0.11	0.71	0.97	(0.02)	(0.12)	—	(0.39)	(0.53)	11.11
Dec. 31, 2015	11.03	0.39	(0.22)	0.21	(0.38)	—	(0.01)	(0.09)	(0.22)	(0.23)	(0.55)	10.64
Dec. 31, 2014	10.50	0.37	(0.22)	0.33	0.45	0.93	(0.02)	(0.11)	(0.33)	(0.07)	(0.53)	11.03
Dec. 31, 2013 ³	10.00 [†]	0.20	(0.09)	0.04	0.63	0.78	(0.06)	(0.03)	(0.04)	(0.08)	(0.21)	10.50
Series H												
June 30, 2018	12.78	0.23	(0.12)	0.11	(0.31)	(0.09)	(0.01)	(0.07)	—	—	(0.08)	12.62
Dec. 31, 2017	11.93	0.41	(0.23)	0.28	0.57	1.03	(0.03)	(0.14)	—	—	(0.17)	12.78
Dec. 31, 2016	11.03	0.39	(0.21)	0.11	0.78	1.07	(0.02)	(0.17)	—	—	(0.19)	11.93
Dec. 31, 2015	11.31	0.41	(0.21)	0.22	(0.40)	0.02	(0.02)	(0.15)	(0.27)	—	(0.44)	11.03
Dec. 31, 2014	10.61	0.39	(0.21)	0.34	0.47	0.99	(0.02)	(0.13)	(0.26)	—	(0.41)	11.31
Dec. 31, 2013 ³	10.00 [†]	0.20	(0.08)	0.04	0.63	0.79	(0.05)	(0.03)	(0.03)	—	(0.11)	10.61



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 D												
June 30, 2018	12.75	(0.23)	(0.08)	0.11	(0.27)	(0.01)	(0.02)	(0.10)	—	—	(0.12)	12.59
Dec. 31, 2017	11.99	0.41	(0.15)	0.28	0.50	1.04	(0.04)	(0.20)	(0.11)	—	(0.35)	12.75
Dec. 31, 2016	11.08	0.40	(0.14)	0.11	0.77	1.14	(0.03)	(0.22)	—	—	(0.25)	11.99
Dec. 31, 2015	11.33	0.41	(0.14)	0.22	(0.40)	0.09	(0.03)	(0.18)	(0.27)	—	(0.48)	11.08
Dec. 31, 2014	10.63	0.39	(0.14)	0.34	0.47	1.06	(0.03)	(0.18)	(0.27)	—	(0.48)	11.33
Dec. 31, 2013 ³	10.00 [†]	0.20	(0.05)	0.03	0.63	0.81	(0.06)	(0.03)	(0.03)	—	(0.12)	10.63
Series F												
June 30, 2018	12.82	(0.23)	(0.06)	0.11	(0.29)	(0.01)	(0.02)	(0.12)	—	—	(0.14)	12.66
Dec. 31, 2017	12.06	0.41	(0.12)	0.28	0.54	1.11	(0.05)	(0.23)	(0.11)	—	(0.39)	12.82
Dec. 31, 2016	11.12	0.40	(0.11)	0.11	0.80	1.20	(0.03)	(0.23)	—	—	(0.26)	12.06
Dec. 31, 2015	11.36	0.41	(0.11)	0.22	(0.40)	0.12	(0.03)	(0.20)	(0.27)	—	(0.50)	11.12
Dec. 31, 2014	10.65	0.39	(0.11)	0.34	0.47	1.09	(0.04)	(0.19)	(0.27)	—	(0.50)	11.36
Dec. 31, 2013 ³	10.00 [†]	0.20	(0.04)	0.04	0.63	0.83	(0.06)	(0.03)	(0.03)	—	(0.12)	10.64
Series FT5												
June 30, 2018	12.03	(0.21)	(0.05)	0.10	(0.27)	(0.01)	(0.02)	(0.17)	—	(0.10)	(0.29)	11.71
Dec. 31, 2017	11.52	0.38	(0.11)	0.26	0.53	1.06	(0.05)	(0.21)	(0.12)	(0.20)	(0.58)	12.03
Dec. 31, 2016	10.91	0.38	(0.10)	0.11	0.76	1.15	(0.03)	(0.24)	—	(0.28)	(0.55)	11.52
Dec. 31, 2015	11.19	0.39	(0.11)	0.21	(0.38)	0.11	(0.03)	(0.19)	(0.23)	(0.11)	(0.56)	10.91
Dec. 31, 2014	10.55	0.40	(0.11)	0.35	0.49	1.13	(0.04)	(0.21)	(0.30)	—	(0.55)	11.19
Dec. 31, 2013 ³	10.00 [†]	0.20	(0.04)	0.04	0.63	0.83	(0.08)	(0.04)	(0.03)	(0.06)	(0.21)	10.55
Series I												
June 30, 2018	12.80	(0.23)	(0.05)	0.11	(0.29)	—	(0.03)	(0.13)	—	—	(0.16)	12.64
Dec. 31, 2017	12.05	0.41	(0.09)	0.28	0.56	1.16	(0.05)	(0.26)	(0.11)	—	(0.42)	12.80
Dec. 31, 2016	11.13	0.40	(0.09)	0.11	0.81	1.23	(0.03)	(0.28)	—	—	(0.31)	12.05
Dec. 31, 2015	11.36	0.41	(0.09)	0.22	(0.40)	0.14	(0.03)	(0.22)	(0.27)	—	(0.52)	11.13
Dec. 31, 2014	10.64	0.38	(0.09)	0.33	0.46	1.08	(0.04)	(0.21)	(0.26)	—	(0.51)	11.36
Dec. 31, 2013 ³	10.00 [†]	0.20	(0.03)	0.04	0.63	0.84	(0.07)	(0.03)	(0.03)	—	(0.13)	10.64
Series O												
June 30, 2018	12.40	(0.22)	—	0.10	(0.28)	0.04	(0.03)	(0.16)	—	—	(0.19)	12.25
Dec. 31, 2017	11.67	0.39	—	0.27	0.51	1.17	(0.06)	(0.32)	(0.11)	—	(0.49)	12.40
Dec. 31, 2016	10.76	0.39	—	0.11	0.85	1.35	(0.04)	(0.32)	—	—	(0.36)	11.67
Dec. 31, 2015	10.97	0.38	—	0.20	(0.37)	0.21	(0.04)	(0.27)	(0.26)	—	(0.57)	10.76
Dec. 31, 2014	10.59	0.39	—	0.34	0.47	1.20	(0.10)	(0.57)	(0.24)	—	(0.91)	10.97
Dec. 31, 2013 ³	10.00 [†]	0.20	—	0.04	0.63	0.87	(0.11)	(0.06)	(0.03)	—	(0.20)	10.59

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 August 12, 2013.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	12.51	529 664	42 325	2.08	2.08	37.50	0.09
Dec. 31, 2017	12.67	534 305	42 173	2.08	2.08	31.11	0.09
Dec. 31, 2016	11.93	402 434	33 746	2.08	2.08	50.12	0.13
Dec. 31, 2015	11.02	416 675	37 798	2.08	2.08	68.27	0.17
Dec. 31, 2014	11.30	297 822	26 357	2.09	2.09	78.13	0.19
Dec. 31, 2013 ⁴	10.62	77 723	7 320	2.14	2.14	16.54	0.12
Advisor Series							
June 30, 2018	12.52	356 664	28 494	2.08	2.08	37.50	0.09
Dec. 31, 2017	12.67	349 293	27 564	2.10	2.10	31.11	0.09
Dec. 31, 2016	11.93	288 737	24 205	2.09	2.09	50.12	0.13
Dec. 31, 2015	11.03	300 450	27 249	2.08	2.08	68.27	0.17
Dec. 31, 2014	11.30	211 437	18 708	2.08	2.08	78.13	0.19
Dec. 31, 2013 ⁴	10.62	61 998	5 838	2.14	2.14	16.54	0.12
Advisor T5 Series							
June 30, 2018	11.10	55 507	5 002	2.09	2.09	37.50	0.09
Dec. 31, 2017	11.46	55 234	4 819	2.10	2.10	31.11	0.09
Dec. 31, 2016	11.11	52 790	4 752	2.10	2.10	50.12	0.13
Dec. 31, 2015	10.64	57 484	5 402	2.09	2.09	68.27	0.17
Dec. 31, 2014	11.04	42 541	3 852	2.08	2.08	78.13	0.19
Dec. 31, 2013 ⁴	10.51	12 961	1 233	2.14	2.14	16.54	0.12
Series T5							
June 30, 2018	11.10	25 780	2 322	2.09	2.09	37.50	0.09
Dec. 31, 2017	11.46	22 728	1 983	2.07	2.07	31.11	0.09
Dec. 31, 2016	11.11	19 327	1 740	2.07	2.07	50.12	0.13
Dec. 31, 2015	10.64	17 998	1 692	2.05	2.05	68.27	0.17
Dec. 31, 2014	11.03	12 360	1 120	2.10	2.10	78.13	0.19
Dec. 31, 2013 ⁴	10.50	2 977	283	2.14	2.14	16.54	0.12
Series H							
June 30, 2018	12.62	32 828	2 602	1.90	1.90	37.50	0.09
Dec. 31, 2017	12.78	35 828	2 804	1.90	1.90	31.11	0.09
Dec. 31, 2016	11.93	47 015	3 943	1.89	1.89	50.12	0.13
Dec. 31, 2015	11.03	53 660	4 864	1.87	1.87	68.27	0.17
Dec. 31, 2014	11.31	43 817	3 875	1.87	1.87	78.13	0.19
Dec. 31, 2013 ⁴	10.61	11 609	1 094	1.97	1.97	16.54	0.12
Series D							
June 30, 2018	12.59	30 696	2 438	1.25	1.25	37.50	0.09
Dec. 31, 2017	12.75	27 000	2 118	1.26	1.26	31.11	0.09
Dec. 31, 2016	11.99	16 936	1 412	1.27	1.27	50.12	0.13
Dec. 31, 2015	11.08	15 968	1 441	1.26	1.26	68.27	0.17
Dec. 31, 2014	11.33	11 005	971	1.24	1.24	78.13	0.19
Dec. 31, 2013 ⁴	10.63	3 076	289	1.29	1.29	16.54	0.12
Series F							
June 30, 2018	12.66	408 026	32 231	0.98	0.98	37.50	0.09
Dec. 31, 2017	12.82	367 673	28 687	1.00	1.00	31.11	0.09
Dec. 31, 2016	12.06	167 125	13 857	0.99	0.99	50.12	0.13
Dec. 31, 2015	11.12	110 738	9 955	0.99	0.99	68.27	0.17
Dec. 31, 2014	11.36	63 363	5 579	0.98	0.98	78.13	0.19
Dec. 31, 2013 ⁴	10.65	14 876	1 397	1.01	1.01	16.54	0.12



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	11.71	58 392	4 985	0.97	0.97	37.50	0.09
Dec. 31, 2017	12.03	56 781	4 721	0.99	0.99	31.11	0.09
Dec. 31, 2016	11.52	28 137	2 442	0.99	0.99	50.12	0.13
Dec. 31, 2015	10.91	18 850	1 728	0.98	0.98	68.27	0.17
Dec. 31, 2014	11.19	10 586	946	1.00	1.00	78.13	0.19
Dec. 31, 2013 ⁴	10.55	5 044	478	1.01	1.01	16.54	0.12
Series I							
June 30, 2018	12.64	32 931	2 606	0.80	0.80	37.50	0.09
Dec. 31, 2017	12.80	34 118	2 666	0.81	0.81	31.11	0.09
Dec. 31, 2016	12.05	39 106	3 247	0.81	0.81	50.12	0.13
Dec. 31, 2015	11.13	35 373	3 178	0.80	0.80	68.27	0.17
Dec. 31, 2014	11.36	32 103	2 826	0.82	0.82	78.13	0.19
Dec. 31, 2013 ⁴	10.64	6 425	604	0.84	0.84	16.54	0.12
Series O							
June 30, 2018	12.25	81 354	6 640	0.07	0.07	37.50	0.09
Dec. 31, 2017	12.40	64 105	5 168	0.08	0.08	31.11	0.09
Dec. 31, 2016	11.67	19 740	1 691	0.07	0.07	50.12	0.13
Dec. 31, 2015	10.76	10 509	976	0.07	0.07	68.27	0.17
Dec. 31, 2014	10.97	399	36	0.07	0.07	78.13	0.19
Dec. 31, 2013 ⁴	10.59	16	1	0.07	0.07	16.54	0.12

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 From August 12, 2013.

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	1.75%	57%	43%
Advisor Series	1.75%	57%	43%
Advisor T5 Series	1.75%	57%	43%
Series T5	1.75%	57%	43%
Series H	1.60%	63%	37%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%
Series FT5	0.75%	—	100%
Series I	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.

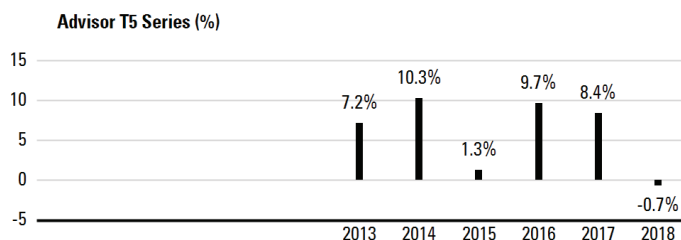
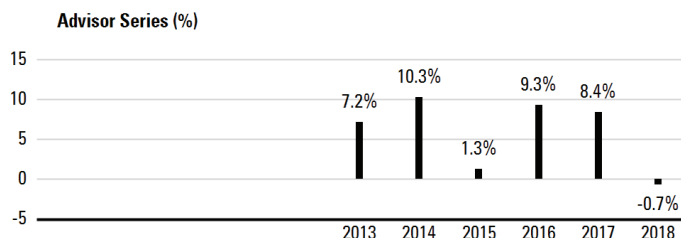
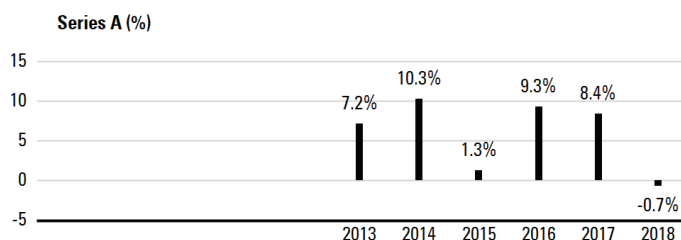


PAST PERFORMANCE

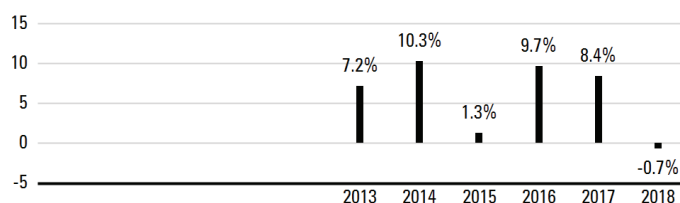
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

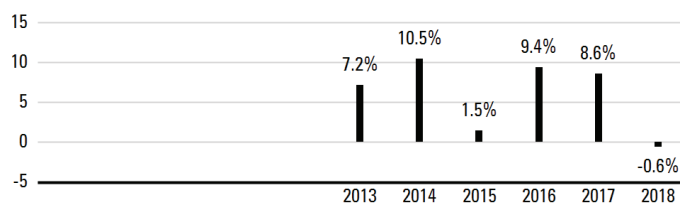
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



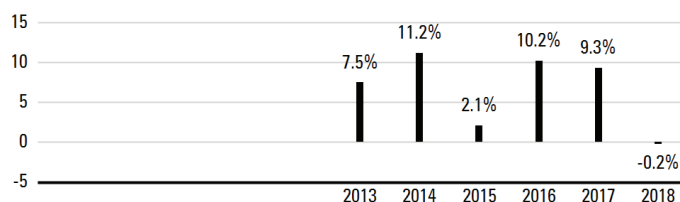
Series T5 (%)



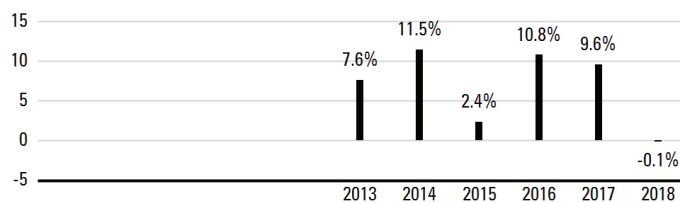
Series H (%)



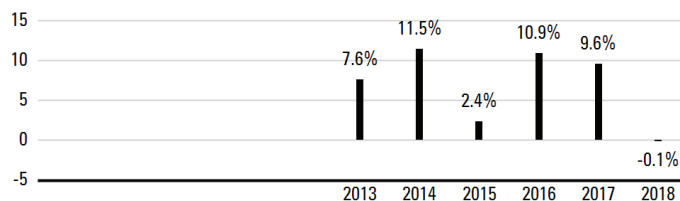
Series D (%)



Series F (%)

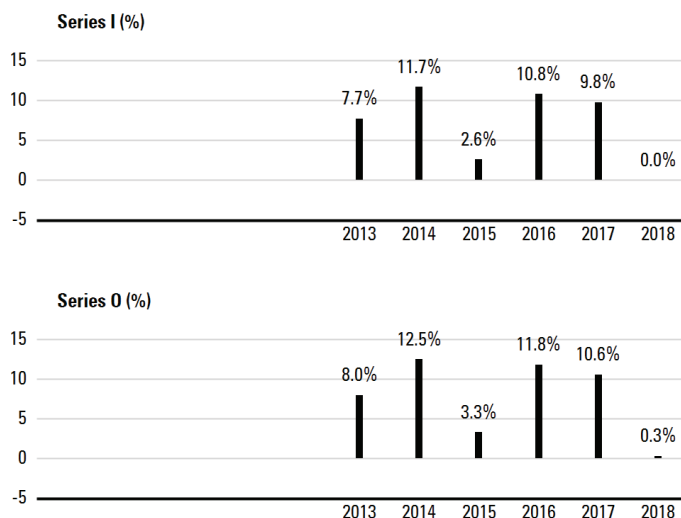


Series FT5 (%)





PAST PERFORMANCE (cont.)



Series A, Advisor Series, Advisor T5 Series, Series T5, Series H, Series D, Series F, Series FT5, Series I and Series O units have been available for sale to unitholders since August 12, 2013.

Inception dates are not provided for series that have been in existence for more than 10 years.

Series H and Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016.

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
Underlying Funds	50.6
Canadian Equities	29.8
United States Equities	18.5
Cash/Other	1.1

Top 25 Holdings

	% of Net Asset Value
Phillips, Hager & North Total Return Bond Fund	13.1
RBC Emerging Markets Dividend Fund	9.6
RBC Global Corporate Bond Fund	8.8
RBC Global High Yield Bond Fund	6.7
BlueBay Global Monthly Income Bond Fund	6.7
RBC European Dividend Fund	4.9
Royal Bank of Canada	1.9
Bank of Nova Scotia	1.6
Toronto-Dominion Bank	1.3
Enbridge Inc.	1.2
Cash & Cash Equivalents	1.1
Suncor Energy Inc.	1.0
Manulife Financial Corporation	1.0
Microsoft Corp.	1.0
Canadian Natural Resources Ltd.	1.0
TransCanada Corp.	1.0
Apple Inc.	0.9
Brookfield Asset Management Inc., Class A	0.7
Sun Life Financial Inc.	0.7
Enbridge Income Fund Holdings Inc.	0.6
Canadian National Railway Co.	0.6
Agnico Eagle Mines Ltd.	0.6
Bank of Montreal	0.6
SNC-Lavalin Group Inc.	0.6
Cisco Systems Inc.	0.6
Top 25 Holdings	67.8

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.



BALANCED FUND

**RBC GLOBAL
GROWTH & INCOME 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 a combination of capital growth and modest income by investing primarily in a diversified portfolio of equity and fixed-income securities from anywhere around the world either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate. The Fund may also invest in emerging market equity securities, emerging market currencies and emerging market government and corporate bonds.

The Fund's target weightings for each asset class are 40% for fixed income and 60% for equities. The target weightings for each class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was \$207 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 2.5%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund's overweight position in equities and underweight position in fixed income had a negative impact on performance. Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns were held back by exposure to the RBC Global High Yield Bond Fund and the RBC Global Corporate Bond Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. Performance was aided by allocations to the RBC Global Equity Focus Fund and the RBC Global Dividend Growth Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight fixed income but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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.

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	Total		
Series A													
June 30, 2018	11.34	0.07	(0.12)	0.06	0.22	0.23	—	—	—	—	—	11.61	
Dec. 31, 2017	10.32	0.35	(0.23)	0.41	0.62	1.15	(0.01)	(0.11)	(0.13)	—	(0.25)	11.34	
Dec. 31, 2016 ³	10.00 [†]	0.27	(0.20)	0.22	0.34	0.63	—	(0.09)	(0.14)	—	(0.23)	10.32	
Advisor Series													
June 30, 2018	11.34	0.07	(0.11)	0.06	0.19	0.21	—	—	—	—	—	11.62	
Dec. 31, 2017	10.32	0.37	(0.23)	0.42	0.65	1.21	(0.01)	(0.11)	(0.13)	—	(0.25)	11.34	
Dec. 31 2016 ³	10.00 [†]	0.29	(0.20)	0.23	0.36	0.68	—	(0.09)	(0.14)	—	(0.23)	10.32	
Advisor T5 Series													
June 30, 2018	10.78	0.07	(0.11)	0.06	0.27	0.29	(0.01)	(0.23)	—	(0.03)	(0.27)	10.78	
Dec. 31, 2017	10.08	0.37	(0.23)	0.42	0.49	1.05	(0.02)	(0.13)	(0.29)	(0.06)	(0.50)	10.78	
Dec. 31, 2016 ³	10.00 [†]	0.29	(0.20)	0.23	0.37	0.69	—	(0.09)	(0.01)	(0.36)	(0.46)	10.08	
Series T5													
June 30, 2018	10.79	0.07	(0.11)	0.06	0.16	0.18	(0.01)	(0.17)	—	(0.09)	(0.27)	10.78	
Dec. 31, 2017	10.08	0.35	(0.21)	0.40	0.56	1.10	(0.02)	(0.16)	(0.16)	(0.16)	(0.50)	10.79	
Dec. 31, 2016 ³	10.00 [†]	0.25	(0.20)	0.20	0.38	0.63	—	(0.09)	(0.15)	(0.22)	(0.46)	10.08	
Series F													
June 30, 2018	11.49	0.07	(0.05)	0.06	0.22	0.30	—	—	—	—	—	11.84	
Dec. 31, 2017	10.37	0.34	(0.11)	0.39	0.68	1.30	(0.02)	(0.12)	(0.14)	—	(0.28)	11.49	
Dec. 31, 2016 ³	10.00 [†]	0.27	(0.09)	0.21	0.33	0.72	—	(0.14)	(0.15)	—	(0.29)	10.37	
Series FT5													
June 30, 2018	11.02	0.07	(0.05)	0.06	0.11	0.19	(0.02)	(0.25)	—	(0.01)	(0.28)	11.08	
Dec. 31, 2017	10.18	0.37	(0.10)	0.43	0.61	1.31	(0.04)	(0.28)	(0.17)	(0.02)	(0.51)	11.02	
Dec. 31, 2016 ³	10.00 [†]	0.24	(0.09)	0.19	0.07	0.41	—	(0.18)	(0.25)	(0.03)	(0.46)	10.18	
Series O													
June 30, 2018	11.59	0.06	—	0.05	(0.29)	(0.18)	—	—	—	—	—	12.00	
Dec. 31, 2017	10.41	0.62	—	0.71	0.86	2.19	(0.02)	(0.15)	(0.14)	—	(0.31)	11.59	
Dec. 31, 2016 ³	10.00 [†]	0.33	—	0.26	0.16	0.75	—	(0.19)	(0.15)	—	(0.34)	10.41	

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 January 11, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	11.61	85 287	7 343	2.10	2.10	17.35	0.06
Dec. 31, 2017	11.34	39 981	3 527	2.12	2.13	12.50	0.10
Dec. 31, 2016 ⁴	10.32	9 084	880	2.11	2.12	18.69	0.17
Advisor Series							
June 30, 2018	11.62	34 267	2 949	2.06	2.06	17.35	0.06
Dec. 31, 2017	11.34	14 223	1 254	2.10	2.11	12.50	0.10
Dec. 31, 2016 ⁴	10.32	4 893	474	2.08	2.09	18.69	0.17
Advisor T5 Series							
June 30, 2018	10.78	1 071	99	2.02	2.02	17.35	0.06
Dec. 31, 2017	10.78	509	47	2.18	2.19	12.50	0.10
Dec. 31, 2016 ⁴	10.08	1	—	2.18	2.19	18.69	0.17
Series T5							
June 30, 2018	10.78	2 531	235	2.03	2.03	17.35	0.06
Dec. 31, 2017	10.79	896	83	2.09	2.10	12.50	0.10
Dec. 31, 2016 ⁴	10.08	234	23	2.10	2.12	18.69	0.17
Series F							
June 30, 2018	11.84	75 983	6 419	0.98	0.98	17.35	0.06
Dec. 31, 2017	11.49	26 688	2 323	1.01	1.02	12.50	0.10
Dec. 31, 2016 ⁴	10.37	4 620	446	0.99	1.01	18.69	0.17
Series FT5							
June 30, 2018	11.08	4 456	402	0.98	0.98	17.35	0.06
Dec. 31, 2017	11.02	1 445	131	0.98	0.99	12.50	0.10
Dec. 31, 2016 ⁴	10.18	685	67	1.02	1.03	18.69	0.17
Series O							
June 30, 2018	12.00	3 362	280	0.07	0.07	17.35	0.06
Dec. 31, 2017	11.59	1	—	0.09	0.10	12.50	0.10
Dec. 31, 2016 ⁴	10.41	2 144	206	0.09	0.10	18.69	0.17

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 From January 11, 2016.



FINANCIAL HIGHLIGHTS (cont.)

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	1.75%	57%	43%
Advisor Series	1.75%	57%	43%
Advisor T5 Series	1.75%	57%	43%
Series T5	1.75%	57%	43%
Series F	0.75%	—	100%
Series FT5	0.75%	—	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 A (%)



Advisor Series (%)



Advisor T5 Series (%)



Series T5 (%)



Series F (%)





PAST PERFORMANCE (cont.)



Series A, Advisor Series, Advisor T5 Series, Series T5, Series F, Series FT5 and Series O units have been available for sale to unitholders since January 25, 2016.

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
International Equity Funds	57.5
Income Funds	36.1
United States Equity Funds	6.0
Cash/Other	0.4

Top 25 Holdings*

	% of Net Asset Value
RBC Global Dividend Growth Fund	21.3
RBC Global Equity Focus Fund	21.2
RBC Global Bond Fund	13.5
RBC Global Corporate Bond Fund	11.1
RBC Emerging Markets Equity Fund	10.8
RBC Global High Yield Bond Fund	6.9
RBC U.S. Mid-Cap Value Equity Fund	6.0
RBC European Mid-Cap Equity Fund	4.1
BlueBay Global Monthly Income Bond Fund	2.3
RBC Emerging Markets Foreign Exchange Fund	2.3
Cash & Cash Equivalents	0.5
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



PORTFOLIO SOLUTION

RBC RETIREMENT INCOME SOLUTION

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 is an asset allocation fund specifically designed for investors who are approaching or are already in retirement. The Fund seeks to provide regular income with a potential for modest capital appreciation by investing primarily in units of other funds managed by RBC GAM or an affiliate (the “underlying funds”), emphasizing mutual funds whose investment objective is to generate income.

To achieve the Fund’s objectives, the portfolio manager selects underlying funds based on their ability to provide cash flow and complement other funds within the portfolio. The decision to invest in an underlying fund is based on the portfolio manager’s assessment of the market outlook and the underlying fund’s ability to meet its stated investment objectives. The Fund’s target weightings for fixed-income and equity assets are 75% and 25%, respectively. The portfolio manager manages the allocations so that they will not be more than 15% above or below the target weightings.

Results of Operations

The Fund’s net asset value was \$18 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units gained 0.5%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Global government bonds were mixed in the first half of 2018:

U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were boosted by the RBC Canadian Short-Term Income Fund and the Phillips, Hager & North Total Return Bond Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the RBC Global Dividend Growth Fund and the RBC QUBE Low Volatility Global Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher. Corporate earnings continue to rise steadily, which the portfolio manager believes bodes well for stocks.

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.

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	Total	
Series A												
June 30, 2018	10.06	0.11	(0.08)	0.01	0.02	0.06	(0.01)	(0.01)	—	—	(0.02)	10.08
Dec. 31, 2017	9.95	0.29	(0.17)	0.07	—	0.19	(0.05)	(0.06)	(0.06)	—	(0.17)	10.06
Dec. 31, 2016 ³	10.00 [†]	0.06	(0.06)	0.04	0.04	0.08	(0.01)	(0.02)	(0.03)	—	(0.06)	9.95
Advisor Series												
June 30, 2018	10.07	0.12	(0.07)	0.01	—	0.06	(0.01)	(0.02)	—	—	(0.03)	10.10
Dec. 31, 2017	9.95	0.40	(0.15)	0.10	(0.06)	0.29	(0.05)	(0.06)	(0.06)	—	(0.17)	10.07
Dec. 31, 2016 ³	10.00 [†]	0.20	(0.09)	0.14	(0.24)	0.01	(0.01)	(0.02)	(0.03)	—	(0.06)	9.95
Series T5												
June 30, 2018	9.66	0.11	(0.08)	0.01	(0.08)	(0.04)	(0.02)	(0.12)	—	(0.10)	(0.24)	9.47
Dec. 31, 2017	9.88	0.23	(0.17)	0.06	0.21	0.33	(0.04)	(0.06)	(0.18)	(0.21)	(0.49)	9.66
Dec. 31, 2016 ³	10.00 [†]	0.19	(0.10)	0.13	(0.26)	(0.04)	(0.05)	(0.07)	—	—	(0.12)	9.88
Series F												
June 30, 2018	10.07	0.11	(0.04)	0.01	0.03	0.11	(0.03)	(0.04)	—	—	(0.07)	10.09
Dec. 31, 2017	9.96	0.28	(0.09)	0.07	(0.02)	0.24	(0.08)	(0.11)	(0.06)	—	(0.25)	10.07
Dec. 31, 2016 ³	10.00 [†]	0.04	(0.03)	0.03	0.13	0.17	(0.02)	(0.02)	(0.03)	—	(0.07)	9.96
Series FT5												
June 30, 2018	9.77	0.11	(0.03)	0.01	—	0.09	(0.05)	(0.10)	—	(0.10)	(0.25)	9.62
Dec. 31, 2017	9.90	0.39	(0.07)	0.09	(0.05)	0.36	(0.11)	(0.13)	(0.06)	(0.19)	(0.49)	9.77
Dec. 31, 2016 ³	10.00 [†]	0.20	(0.08)	0.14	(0.24)	0.02	(0.05)	(0.07)	—	—	(0.12)	9.90
Series O												
June 30, 2018	10.06	0.12	—	0.01	—	0.13	(0.05)	(0.06)	—	—	(0.11)	10.08
Dec. 31, 2017	9.95	0.80	(0.01)	0.19	(0.19)	0.79	(0.12)	(0.15)	(0.06)	—	(0.33)	10.06
Dec. 31, 2016 ³	10.00 [†]	0.20	(0.06)	0.14	(0.24)	0.04	(0.03)	(0.03)	(0.03)	—	(0.09)	9.95

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 September 23, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	10.08	13 289	1 318	1.69	1.70	13.32	0.01
Dec. 31, 2017	10.06	10 946	1 088	1.71	1.74	11.85	0.02
Dec. 31, 2016 ⁴	9.95	602	60	1.72	2.16	0.95	0.04
Advisor Series							
June 30, 2018	10.10	1	—	1.60	1.61	13.32	0.01
Dec. 31, 2017	10.07	1	—	1.60	1.63	11.85	0.02
Dec. 31, 2016 ⁴	9.95	1	—	1.72	2.16	0.95	0.04
Series T5							
June 30, 2018	9.47	52	5	1.64	1.65	13.32	0.01
Dec. 31, 2017	9.66	115	12	1.67	1.70	11.85	0.02
Dec. 31, 2016 ⁴	9.88	2	—	1.72	2.16	0.95	0.04
Series F							
June 30, 2018	10.09	4 710	467	0.85	0.86	13.32	0.01
Dec. 31, 2017	10.07	3 076	306	0.86	0.89	11.85	0.02
Dec. 31, 2016 ⁴	9.96	344	35	0.87	1.31	0.95	0.04
Series FT5							
June 30, 2018	9.62	1	—	0.81	0.82	13.32	0.01
Dec. 31, 2017	9.77	1	—	0.81	0.84	11.85	0.02
Dec. 31, 2016 ⁴	9.90	1	—	0.87	1.31	0.95	0.04
Series O							
June 30, 2018	10.08	1	—	0.05	0.06	13.32	0.01
Dec. 31, 2017	10.06	1	—	0.05	0.08	11.85	0.02
Dec. 31, 2016 ⁴	9.95	146	15	0.04	0.48	0.95	0.04

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 From September 23, 2016.

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	1.45%	52%	48%
Advisor Series	1.45%	52%	48%
Series T5	1.45%	52%	48%
Series F	0.70%	—	100%
Series FT5	0.70%	—	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 T5 (%)



Series F (%)



Series FT5 (%)



Series O (%)



Series A, Advisor Series, Series T5, Series F, Series FT5 and Series O units have been available for sale to unitholders since October 11, 2016.

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
Income Funds	79.0
International Equity Funds	15.6
Canadian Equity Funds	4.5
Cash/Other	0.9

Top 25 Holdings*

	% of Net Asset Value
RBC Canadian Short-Term Income Fund	54.4
RBC Global Dividend Growth Fund	10.7
RBC QUBE Low Volatility Global Equity Fund	4.9
RBC Global High Yield Bond Fund	4.9
Phillips, Hager & North Conservative Equity Income Fund	4.5
RBC Bond Fund	4.5
Phillips, Hager & North Total Return Bond Fund	4.5
RBC QUBE Low Volatility Canadian Equity Fund	4.5
RBC Global Bond Fund	1.8
BlueBay Global Sovereign Bond Fund (Canada)	1.8
RBC Global Corporate Bond Fund	1.3
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	1.2
Cash & Cash Equivalents	1.0
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



PORTFOLIO SOLUTION

RBC RETIREMENT 2020 PORTFOLIO

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 is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for retirement that commences around 2020 (the “target date”). It seeks to provide total returns comprised of income and modest capital appreciation.

The Fund invests primarily in a diversified portfolio of equity, fixed-income and/or money market securities from anywhere in the world, gradually shifting its asset mix to emphasize fixed-income and/or money market investments. The Fund invests up to 100% of its NAV in funds managed by RBC GAM or an affiliate.

Ten years after the target date of the Fund is reached, it is expected that the Fund’s asset allocation will be substantially similar to the RBC Retirement Income Solution.

Results of Operations

The Fund’s net asset value was \$34 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units gained 1.2%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the RBC Global High Yield Bond Fund and the BlueBay Global Investment Grade Corporate Bond Fund (Canada).

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the RBC Global Dividend Growth Fund and the RBC Global Equity Focus Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher. Corporate earnings continue to rise steadily, which the portfolio manager believes bodes well for stocks.

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.

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	Total		
Series A													
June 30, 2018	10.33	0.10	(0.09)	0.01	0.13	0.15	—	—	—	—	—	10.45	
Dec. 31, 2017	9.90	0.37	(0.18)	0.24	0.12	0.55	(0.02)	(0.07)	(0.15)	—	(0.24)	10.33	
Dec. 31, 2016 ³	10.00 [†]	0.15	(0.07)	0.13	(0.06)	0.15	(0.02)	(0.05)	(0.11)	—	(0.18)	9.90	
Advisor Series													
June 30, 2018	10.34	0.10	(0.09)	0.01	0.10	0.12	—	—	—	—	—	10.46	
Dec. 31, 2017	9.90	0.25	(0.17)	0.16	0.77	1.01	(0.03)	(0.07)	(0.15)	—	(0.25)	10.34	
Dec. 31, 2016 ³	10.00 [†]	0.44	(0.10)	0.39	(0.65)	0.08	(0.02)	(0.05)	(0.11)	—	(0.18)	9.90	
Series T5													
June 30, 2018	10.13	0.10	(0.09)	0.01	(0.06)	(0.04)	(0.02)	(0.22)	—	(0.01)	(0.25)	9.99	
Dec. 31, 2017	9.95	0.25	(0.17)	0.17	0.85	1.10	(0.04)	(0.11)	(0.32)	(0.03)	(0.50)	10.13	
Dec. 31, 2016 ³	10.00 [†]	0.44	(0.10)	0.39	(0.65)	0.08	(0.03)	(0.09)	—	—	(0.12)	9.95	
Series F													
June 30, 2018	10.26	0.10	(0.04)	0.01	0.12	0.19	—	—	—	—	—	10.42	
Dec. 31, 2017	9.83	0.30	(0.10)	0.20	0.21	0.61	(0.04)	(0.13)	(0.15)	—	(0.32)	10.26	
Dec. 31, 2016 ³	10.00 [†]	0.44	(0.08)	0.39	(0.65)	0.10	(0.04)	(0.12)	(0.11)	—	(0.27)	9.83	
Series FT5													
June 30, 2018	10.24	0.10	(0.04)	0.01	0.10	0.17	(0.04)	(0.19)	—	(0.02)	(0.25)	10.15	
Dec. 31, 2017	9.97	0.72	(0.08)	0.48	(0.36)	0.76	(0.07)	(0.24)	(0.14)	(0.05)	(0.50)	10.24	
Dec. 31, 2016 ³	10.00 [†]	0.44	(0.08)	0.39	(0.65)	0.10	(0.03)	(0.09)	—	—	(0.12)	9.97	
Series O													
June 30, 2018	10.19	0.10	—	0.01	0.10	0.21	—	—	—	—	—	10.39	
Dec. 31, 2017	9.76	1.87	(0.01)	1.24	(1.78)	1.32	(0.07)	(0.20)	(0.15)	—	(0.42)	10.19	
Dec. 31, 2016 ³	10.00 [†]	0.44	(0.06)	0.39	(0.66)	0.11	(0.06)	(0.19)	(0.11)	—	(0.36)	9.76	

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 September 23, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	10.45	20 651	1 976	1.74	1.74	6.58	0.03
Dec. 31, 2017	10.33	14 229	1 378	1.76	1.78	2.54	0.05
Dec. 31, 2016 ⁴	9.90	543	55	1.79	2.27	3.79	0.09
Advisor Series							
June 30, 2018	10.46	144	14	1.79	1.79	6.58	0.03
Dec. 31, 2017	10.34	142	14	1.68	1.70	2.54	0.05
Dec. 31, 2016 ⁴	9.90	1	—	1.79	2.27	3.79	0.09
Series T5							
June 30, 2018	9.99	41	4	1.79	1.79	6.58	0.03
Dec. 31, 2017	10.13	133	13	1.67	1.69	2.54	0.05
Dec. 31, 2016 ⁴	9.95	1	—	1.79	2.27	3.79	0.09
Series F							
June 30, 2018	10.42	12 696	1 218	0.88	0.88	6.58	0.03
Dec. 31, 2017	10.26	10 529	1 026	0.95	0.97	2.54	0.05
Dec. 31, 2016 ⁴	9.83	1	—	0.94	1.42	3.79	0.09
Series FT5							
June 30, 2018	10.15	1	—	0.88	0.88	6.58	0.03
Dec. 31, 2017	10.24	1	—	0.88	0.90	2.54	0.05
Dec. 31, 2016 ⁴	9.97	1	—	0.94	1.42	3.79	0.09
Series O							
June 30, 2018	10.39	1	—	0.06	0.06	6.58	0.03
Dec. 31, 2017	10.19	1	—	0.06	0.08	2.54	0.05
Dec. 31, 2016 ⁴	9.76	147	15	0.06	0.54	3.79	0.09

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.

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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 From September 23, 2016.

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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	1.50%	50%	50%
Advisor Series	1.50%	50%	50%
Series T5	1.50%	50%	50%
Series F	0.75%	—	100%
Series FT5	0.75%	—	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 T5 (%)



Series F (%)



Series FT5 (%)



Series O (%)



Series A, Advisor Series, Series T5, Series F, Series FT5 and Series O units have been available for sale to unitholders since October 11, 2016.

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
Income Funds	58.8
International Equity Funds	21.6
Canadian Equity Funds	12.2
United States Equity Funds	7.0
Cash/Other	0.4

Top 25 Holdings*

	% of Net Asset Value
RBC Canadian Short-Term Income Fund	13.5
Phillips, Hager & North Total Return Bond Fund	9.3
RBC Bond Fund	9.3
RBC Global Dividend Growth Fund	7.8
RBC Global Equity Focus Fund	5.1
RBC Global High Yield Bond Fund	5.0
RBC QUBE Low Volatility Global Equity Fund	5.0
Phillips, Hager & North Conservative Equity Income Fund	4.3
RBC QUBE Low Volatility Canadian Equity Fund	4.3
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	4.1
RBC Global Bond Fund	4.1
BlueBay Global Sovereign Bond Fund (Canada)	4.1
RBC Global Corporate Bond Fund	4.1
Phillips, Hager & North Canadian Equity Underlying Fund	3.9
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	3.2
Phillips, Hager & North Canadian Equity Value Fund	2.8
RBC U.S. Mid-Cap Value Equity Fund	2.1
RBC Emerging Markets Equity Fund	1.6
RBC European Equity Fund	1.5
RBC U.S. Equity Value Fund	1.5
RBC Private Canadian Mid-Cap Equity Pool	1.2
BlueBay European High Yield Bond Fund	1.0
Cash & Cash Equivalents	0.7
RBC Asia Pacific ex-Japan Equity Fund	0.5
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



PORTFOLIO SOLUTION

RBC RETIREMENT 2025 PORTFOLIO

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 is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for retirement that commences around 2025 (the “target date”). It seeks to provide total returns comprised of income and modest capital appreciation.

The Fund invests primarily in a diversified portfolio of equity, fixed-income and/or money market securities from anywhere in the world, gradually shifting its asset mix to emphasize fixed-income and/or money market investments. The Fund invests up to 100% of its NAV in funds managed by RBC GAM or an affiliate.

Ten years after the target date of the Fund is reached, it is expected that the Fund’s asset allocation will be substantially similar to the RBC Retirement Income Solution.

Results of Operations

The Fund’s net asset value was \$30 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units gained 1.5%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the RBC Global High Yield Bond Fund and the BlueBay Global Investment Grade Corporate Bond Fund (Canada).

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the RBC Global Equity Focus Fund and the RBC Global Dividend Growth Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher. Corporate earnings continue to rise steadily, which the portfolio manager believes bodes well for stocks.

Effective January 1, 2020, the management fee will decline to 1.50% for Series A units, 1.50% for Advisor Series units and 0.75% for Series F units.

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.

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	Total		
Series A													
June 30, 2018	10.43	0.09	(0.11)	—	0.19	0.17	—	—	—	—	—	10.58	
Dec. 31, 2017	9.94	0.34	(0.21)	0.30	0.28	0.71	—	(0.08)	(0.20)	—	(0.28)	10.43	
Dec. 31, 2016 ³	10.00 [†]	0.15	(0.08)	0.12	—	0.19	(0.01)	(0.05)	(0.12)	—	(0.18)	9.94	
Advisor Series													
June 30, 2018	10.44	0.09	(0.10)	—	0.17	0.16	—	—	—	—	—	10.59	
Dec. 31, 2017	9.94	0.29	(0.22)	0.26	(0.09)	0.24	—	(0.09)	(0.21)	—	(0.30)	10.44	
Dec. 31, 2016 ³	10.00 [†]	0.32	(0.11)	0.26	(0.35)	0.12	(0.01)	(0.05)	(0.12)	—	(0.18)	9.94	
Series F													
June 30, 2018	10.32	0.09	(0.05)	—	0.25	0.29	—	—	—	—	—	10.52	
Dec. 31, 2017	9.85	0.33	(0.10)	0.29	0.02	0.54	(0.01)	(0.19)	(0.21)	—	(0.41)	10.32	
Dec. 31, 2016 ³	10.00 [†]	0.32	(0.08)	0.26	(0.36)	0.14	(0.03)	(0.15)	(0.12)	—	(0.30)	9.85	
Series O													
June 30, 2018	10.24	0.09	—	—	0.17	0.26	—	—	—	—	—	10.50	
Dec. 31, 2017	9.77	1.82	(0.01)	1.62	(1.94)	1.49	(0.01)	(0.30)	(0.21)	—	(0.52)	10.24	
Dec. 31, 2016 ³	10.00 [†]	0.32	(0.06)	0.26	(0.36)	0.16	(0.05)	(0.22)	(0.12)	—	(0.39)	9.77	

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 September 23, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	10.58	24 398	2 305	2.09	2.09	6.94	0.04
Dec. 31, 2017	10.43	16 841	1 615	2.08	2.10	8.38	0.06
Dec. 31, 2016 ⁴	9.94	251	25	2.13	2.70	3.77	0.11
Advisor Series							
June 30, 2018	10.59	70	7	1.98	1.98	6.94	0.04
Dec. 31, 2017	10.44	69	7	1.99	2.01	8.38	0.06
Dec. 31, 2016 ⁴	9.94	1	—	2.13	2.70	3.77	0.11
Series F							
June 30, 2018	10.52	5 901	561	0.95	0.95	6.94	0.04
Dec. 31, 2017	10.32	2 786	270	0.94	0.96	8.38	0.06
Dec. 31, 2016 ⁴	9.85	1	—	1.00	1.57	3.77	0.11
Series O							
June 30, 2018	10.50	1	—	0.06	0.06	6.94	0.04
Dec. 31, 2017	10.24	1	—	0.06	0.08	8.38	0.06
Dec. 31, 2016 ⁴	9.77	149	15	0.06	0.63	3.77	0.11

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 From September 23, 2016.

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	1.80%	56%	44%
Advisor Series	1.80%	56%	44%
Series F	0.80%	—	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 F (%)



Series O (%)



Series A, Advisor Series, Series F and Series O units have been available for sale to unitholders since October 11, 2016.

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
Income Funds	46.6
International Equity Funds	25.2
Canadian Equity Funds	16.5
United States Equity Funds	11.0
Cash/Other	0.7

Top 25 Holdings

	% of Net Asset Value
Phillips, Hager & North Total Return Bond Fund	7.8
RBC Bond Fund	7.8
RBC Global Dividend Growth Fund	7.8
RBC Canadian Short-Term Income Fund	7.5
RBC Global Equity Focus Fund	6.4
RBC Global High Yield Bond Fund	5.0
RBC QUBE Low Volatility Global Equity Fund	4.9
Phillips, Hager & North Canadian Equity Underlying Fund	4.9
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	4.8
Phillips, Hager & North Conservative Equity Income Fund	4.5
RBC QUBE Low Volatility Canadian Equity Fund	4.5
Phillips, Hager & North Canadian Equity Value Fund	3.7
RBC Global Bond Fund	3.5
BlueBay Global Sovereign Bond Fund (Canada)	3.5
RBC Global Corporate Bond Fund	3.5
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	3.5
RBC U.S. Mid-Cap Value Equity Fund	3.2
RBC U.S. Equity Value Fund	3.0
RBC Emerging Markets Equity Fund	3.0
RBC Private Canadian Mid-Cap Equity Pool	2.4
RBC European Equity Fund	2.0
Phillips, Hager & North Canadian Growth Fund	1.0
Cash & Cash Equivalents	0.8
RBC Asia Pacific ex-Japan Equity Fund	0.7
RBC Japanese Equity Fund	0.3
Top 25 Holdings	100.0

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.



PORTFOLIO SOLUTION

RBC RETIREMENT 2030 PORTFOLIO

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 is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for retirement that commences around 2030 (the “target date”). It seeks to provide total returns comprised of income and modest capital appreciation.

The Fund invests primarily in a diversified portfolio of equity, fixed-income and/or money market securities from anywhere in the world, gradually shifting its asset mix to emphasize fixed-income and/or money market investments. The Fund invests up to 100% of its NAV in funds managed by RBC GAM or an affiliate.

Ten years after the target date of the Fund is reached, it is expected that the Fund’s asset allocation will be substantially similar to the RBC Retirement Income Solution.

Results of Operations

The Fund’s net asset value was \$39 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units gained 1.8%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the RBC Global High Yield Bond Fund and the BlueBay Global Investment Grade Corporate Bond Fund (Canada).

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the RBC Global Equity Focus Fund and the RBC Global Dividend Growth Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher. Corporate earnings continue to rise steadily, which the portfolio manager believes bodes well for stocks.

Effective January 1, 2025, the management fee will decline to 1.50% for Series A units, 1.50% for Advisor Series units and 0.75% for Series F units.

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

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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.

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	Total	
Series A												
June 30, 2018	10.56	0.08	(0.11)	0.01	0.24	0.22	—	—	—	—	—	10.76
Dec. 31, 2017	10.01	0.36	(0.22)	0.31	0.29	0.74	—	(0.09)	(0.19)	—	(0.28)	10.56
Dec. 31, 2016 ³	10.00 [†]	0.14	(0.08)	0.12	(0.21)	(0.03)	(0.01)	(0.04)	(0.08)	—	(0.13)	10.01
Advisor Series												
June 30, 2018	10.56	0.08	(0.11)	0.01	0.22	0.20	—	—	—	—	—	10.75
Dec. 31, 2017	10.01	0.60	(0.22)	0.52	(0.20)	0.70	—	(0.08)	(0.20)	—	(0.28)	10.56
Dec. 31, 2016 ³	10.00 [†]	0.32	(0.10)	0.28	(0.07)	0.43	(0.01)	(0.04)	(0.08)	—	(0.13)	10.01
Series F												
June 30, 2018	10.45	0.08	(0.05)	0.01	0.24	0.28	—	—	—	—	—	10.70
Dec. 31, 2017	9.91	0.30	(0.10)	0.26	0.46	0.92	—	(0.20)	(0.20)	—	(0.40)	10.45
Dec. 31, 2016 ³	10.00 [†]	0.42	(0.08)	0.36	(0.53)	0.17	(0.03)	(0.15)	(0.08)	—	(0.26)	9.91
Series O												
June 30, 2018	10.37	0.08	—	0.01	0.21	0.30	—	—	—	—	—	10.67
Dec. 31, 2017	9.84	2.02	(0.01)	1.75	(2.25)	1.51	(0.01)	(0.29)	(0.20)	—	(0.50)	10.37
Dec. 31, 2016 ³	10.00 [†]	0.42	(0.06)	0.36	(0.54)	0.18	(0.05)	(0.22)	(0.08)	—	(0.35)	9.84

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 September 23, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	10.76	33 209	3 087	2.08	2.08	1.85	0.05
Dec. 31, 2017	10.56	22 615	2 141	2.08	2.10	1.53	0.07
Dec. 31, 2016 ⁴	10.01	670	67	2.14	2.63	2.45	0.10
Advisor Series							
June 30, 2018	10.75	20	2	2.06	2.06	1.85	0.05
Dec. 31, 2017	10.56	19	2	2.12	2.14	1.53	0.07
Dec. 31, 2016 ⁴	10.01	9	1	2.14	2.63	2.45	0.10
Series F							
June 30, 2018	10.70	6 101	570	0.97	0.97	1.85	0.05
Dec. 31, 2017	10.45	4 874	467	0.94	0.96	1.53	0.07
Dec. 31, 2016 ⁴	9.91	1	—	1.01	1.50	2.45	0.10
Series O							
June 30, 2018	10.67	1	—	0.06	0.06	1.85	0.05
Dec. 31, 2017	10.37	1	—	0.07	0.09	1.53	0.07
Dec. 31, 2016 ⁴	9.84	150	15	0.07	0.56	2.45	0.10

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 From September 23, 2016.

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	1.80%	56%	44%
Advisor Series	1.80%	56%	44%
Series F	0.80%	—	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 F (%)



Series O (%)



Series A, Advisor Series, Series F and Series O units have been available for sale to unitholders since October 11, 2016.

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
Income Funds	38.9
International Equity Funds	28.2
Canadian Equity Funds	19.3
United States Equity Funds	12.8
Cash/Other	0.8

Top 25 Holdings

	% of Net Asset Value
RBC Global Equity Focus Fund	8.2
RBC Global Dividend Growth Fund	8.0
Phillips, Hager & North Total Return Bond Fund	6.5
RBC Bond Fund	6.5
Phillips, Hager & North Canadian Equity Underlying Fund	6.0
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	5.8
RBC Global High Yield Bond Fund	4.9
RBC QUBE Low Volatility Global Equity Fund	4.9
Phillips, Hager & North Conservative Equity Income Fund	4.4
RBC QUBE Low Volatility Canadian Equity Fund	4.3
RBC U.S. Mid-Cap Value Equity Fund	3.8
RBC Canadian Short-Term Income Fund	3.5
Phillips, Hager & North Canadian Equity Value Fund	3.3
RBC Emerging Markets Equity Fund	3.3
RBC U.S. Equity Value Fund	3.1
RBC Global Bond Fund	3.0
BlueBay Global Sovereign Bond Fund (Canada)	3.0
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	3.0
RBC Private Canadian Mid-Cap Equity Pool	3.0
RBC Global Corporate Bond Fund	3.0
Phillips, Hager & North Canadian Growth Fund	2.7
RBC European Equity Fund	2.3
BlueBay European High Yield Bond Fund	1.0
Cash & Cash Equivalents	1.0
RBC Asia Pacific ex-Japan Equity Fund	0.8
Top 25 Holdings	99.3

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.



PORTFOLIO SOLUTION

RBC RETIREMENT 2035 PORTFOLIO

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 is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for retirement that commences around 2035 (the “target date”). It seeks to provide total returns comprised of income and modest capital appreciation.

The Fund invests primarily in a diversified portfolio of equity, fixed-income and/or money market securities from anywhere in the world, gradually shifting its asset mix to emphasize fixed-income and/or money market investments. The Fund invests up to 100% of its NAV in funds managed by RBC GAM or an affiliate.

Ten years after the target date of the Fund is reached, it is expected that the Fund’s asset allocation will be substantially similar to the RBC Retirement Income Solution.

Results of Operations

The Fund’s net asset value was \$32 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units gained 1.9%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the RBC Global High Yield Bond Fund and the BlueBay Global Investment Grade Corporate Bond Fund (Canada).

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the RBC Global Equity Focus Fund and the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher. Corporate earnings continue to rise steadily, which the portfolio manager believes bodes well for stocks.

Effective January 1, 2030, the management fee will decline to 1.50% for Series A units, 1.50% for Advisor Series units and 0.75% for Series F units.

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.

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	Total		
Series A													
June 30, 2018	10.42	0.08	(0.11)	—	0.25	0.22	—	—	—	—	—	10.62	
Dec. 31, 2017	9.87	0.35	(0.21)	0.30	0.31	0.75	—	(0.09)	(0.19)	—	(0.28)	10.42	
Dec. 31, 2016 ³	10.00 [†]	0.17	(0.06)	0.15	(0.07)	0.19	(0.02)	(0.09)	(0.13)	—	(0.24)	9.87	
Advisor Series													
June 30, 2018	10.43	0.08	(0.09)	—	0.22	0.21	—	—	—	—	—	10.64	
Dec. 31, 2017	9.87	0.54	(0.19)	0.47	0.04	0.86	—	(0.11)	(0.19)	—	(0.30)	10.43	
Dec. 31, 2016 ³	10.00 [†]	1.22	(0.10)	1.08	(2.08)	0.12	(0.02)	(0.09)	(0.13)	—	(0.24)	9.87	
Series F													
June 30, 2018	10.32	0.08	(0.05)	—	0.30	0.33	—	—	—	—	—	10.57	
Dec. 31, 2017	9.77	0.27	(0.10)	0.24	0.48	0.89	—	(0.21)	(0.20)	—	(0.41)	10.32	
Dec. 31, 2016 ³	10.00 [†]	1.22	(0.08)	1.08	(2.08)	0.14	(0.04)	(0.20)	(0.13)	—	(0.37)	9.77	
Series O													
June 30, 2018	10.23	0.08	—	—	0.22	0.30	—	—	—	—	—	10.53	
Dec. 31, 2017	9.70	1.17	(0.01)	1.02	(0.65)	1.53	(0.01)	(0.30)	(0.20)	—	(0.51)	10.23	
Dec. 31, 2016 ³	10.00 [†]	1.22	(0.06)	1.08	(2.08)	0.16	(0.05)	(0.28)	(0.13)	—	(0.46)	9.70	

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 September 23, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	10.62	28 912	2 723	2.08	2.08	1.51	0.05
Dec. 31, 2017	10.42	19 259	1 848	2.07	2.09	—	0.07
Dec. 31, 2016 ⁴	9.87	1 499	152	2.14	2.40	1.36	0.11
Advisor Series							
June 30, 2018	10.64	1	—	1.99	1.99	1.51	0.05
Dec. 31, 2017	10.43	1	—	1.99	2.01	—	0.07
Dec. 31, 2016 ⁴	9.87	1	—	2.14	2.40	1.36	0.11
Series F							
June 30, 2018	10.57	3 077	291	0.96	0.96	1.51	0.05
Dec. 31, 2017	10.32	1 819	176	0.95	0.97	—	0.07
Dec. 31, 2016 ⁴	9.77	1	—	1.01	1.27	1.36	0.11
Series O							
June 30, 2018	10.53	1	—	0.07	0.07	1.51	0.05
Dec. 31, 2017	10.23	1	—	0.07	0.09	—	0.07
Dec. 31, 2016 ⁴	9.70	149	15	0.07	0.33	1.36	0.11

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.

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PAST PERFORMANCE

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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 F (%)



Series O (%)



Series A, Advisor Series, Series F and Series O units have been available for sale to unitholders since October 11, 2016.

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
Income Funds	38.4
International Equity Funds	28.1
Canadian Equity Funds	19.9
United States Equity Funds	13.1
Cash/Other	0.5

Top 25 Holdings

	% of Net Asset Value
RBC Global Equity Focus Fund	8.9
RBC Global Dividend Growth Fund	6.6
Phillips, Hager & North Total Return Bond Fund	6.5
RBC Bond Fund	6.5
Phillips, Hager & North Canadian Equity Underlying Fund	6.4
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	6.2
RBC Global High Yield Bond Fund	5.0
RBC QUBE Low Volatility Global Equity Fund	5.0
RBC U.S. Mid-Cap Value Equity Fund	4.1
Phillips, Hager & North Conservative Equity Income Fund	3.9
RBC QUBE Low Volatility Canadian Equity Fund	3.9
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RBC Private Canadian Mid-Cap Equity Pool	3.2
BlueBay Global Sovereign Bond Fund (Canada)	3.0
RBC Global Bond Fund	3.0
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	3.0
RBC Global Corporate Bond Fund	3.0
RBC U.S. Equity Value Fund	2.8
Phillips, Hager & North Canadian Equity Value Fund	2.7
RBC Canadian Short-Term Income Fund	2.5
RBC European Equity Fund	2.5
BlueBay European High Yield Bond Fund	2.0
RBC Asia Pacific ex-Japan Equity Fund	0.8
Cash & Cash Equivalents	0.6
Top 25 Holdings	99.2

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.

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PORTFOLIO SOLUTION

RBC RETIREMENT 2040 PORTFOLIO

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 is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for retirement that commences around 2040 (the “target date”). It seeks to provide total returns comprised of income and modest capital appreciation.

The Fund invests primarily in a diversified portfolio of equity, fixed-income and/or money market securities from anywhere in the world, gradually shifting its asset mix to emphasize fixed-income and/or money market investments. The Fund invests up to 100% of its NAV in funds managed by RBC GAM or an affiliate.

Ten years after the target date of the Fund is reached, it is expected that the Fund’s asset allocation will be substantially similar to the RBC Retirement Income Solution.

Results of Operations

The Fund’s net asset value was \$25 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units gained 1.8%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the RBC Global High Yield Bond Fund and the BlueBay Global Investment Grade Corporate Bond Fund (Canada).

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the RBC Global Equity Focus Fund and the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher. Corporate earnings continue to rise steadily, which the portfolio manager believes bodes well for stocks.

Effective January 1, 2035, the management fee will decline to 1.50% for Series A units, 1.50% for Advisor Series units and 0.75% for Series F units.

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.

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	Total		
Series A													
June 30, 2018	10.49	0.08	(0.11)	—	0.25	0.22	—	—	—	—	—	10.68	
Dec. 31, 2017	9.96	0.36	(0.22)	0.33	0.30	0.77	—	(0.10)	(0.20)	—	(0.30)	10.49	
Dec. 31, 2016 ³	10.00 [†]	0.20	(0.10)	0.17	(0.13)	0.14	(0.01)	(0.04)	(0.13)	—	(0.18)	9.96	
Advisor Series													
June 30, 2018	10.50	0.09	(0.09)	—	0.20	0.20	—	—	—	—	—	10.70	
Dec. 31, 2017	9.96	0.61	(0.19)	0.56	(0.12)	0.86	—	(0.12)	(0.20)	—	(0.32)	10.50	
Dec. 31, 2016 ³	10.00 [†]	0.29	(0.10)	0.26	(0.31)	0.14	(0.01)	(0.04)	(0.13)	—	(0.18)	9.96	
Series F													
June 30, 2018	10.38	0.08	(0.05)	—	0.26	0.29	—	—	—	—	—	10.62	
Dec. 31, 2017	9.86	0.37	(0.10)	0.34	0.34	0.95	(0.01)	(0.22)	(0.20)	—	(0.43)	10.38	
Dec. 31, 2016 ³	10.00 [†]	0.29	(0.08)	0.26	(0.31)	0.16	(0.03)	(0.14)	(0.13)	—	(0.30)	9.86	
Series O													
June 30, 2018	10.30	0.08	—	—	0.22	0.30	—	—	—	—	—	10.60	
Dec. 31, 2017	9.79	1.36	(0.01)	1.25	(1.09)	1.51	(0.01)	(0.31)	(0.20)	—	(0.52)	10.30	
Dec. 31, 2016 ³	10.00 [†]	0.29	(0.06)	0.26	(0.31)	0.18	(0.05)	(0.21)	(0.13)	—	(0.39)	9.79	

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 September 23, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	10.68	23 947	2 243	2.09	2.09	1.50	0.05
Dec. 31, 2017	10.49	13 987	1 334	2.12	2.15	3.31	0.07
Dec. 31, 2016 ⁴	9.96	472	47	2.14	2.70	3.98	0.11
Advisor Series							
June 30, 2018	10.70	1	—	1.99	1.99	1.50	0.05
Dec. 31, 2017	10.50	1	—	2.00	2.03	3.31	0.07
Dec. 31, 2016 ⁴	9.96	1	—	2.14	2.70	3.98	0.11
Series F							
June 30, 2018	10.62	1 359	128	0.97	0.97	1.50	0.05
Dec. 31, 2017	10.38	882	85	0.95	0.98	3.31	0.07
Dec. 31, 2016 ⁴	9.86	1	—	1.01	1.57	3.98	0.11
Series O							
June 30, 2018	10.60	1	—	0.07	0.07	1.50	0.05
Dec. 31, 2017	10.30	1	—	0.07	0.10	3.31	0.07
Dec. 31, 2016 ⁴	9.79	150	15	0.07	0.63	3.98	0.11

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 From September 23, 2016.

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	1.80%	56%	44%
Advisor Series	1.80%	56%	44%
Series F	0.80%	—	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 F (%)



Series O (%)



Series A, Advisor Series, Series F and Series O units have been available for sale to unitholders since October 11, 2016.

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
Income Funds	37.9
International Equity Funds	27.3
Canadian Equity Funds	20.4
United States Equity Funds	13.6
Cash/Other	0.8

Top 25 Holdings

	% of Net Asset Value
RBC Global Equity Focus Fund	9.4
Phillips, Hager & North Canadian Equity Underlying Fund	6.8
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	6.7
Phillips, Hager & North Total Return Bond Fund	6.5
RBC Bond Fund	6.5
RBC Global Dividend Growth Fund	5.2
RBC Global High Yield Bond Fund	5.0
RBC QUBE Low Volatility Global Equity Fund	4.9
Phillips, Hager & North Canadian Growth Fund	4.7
RBC U.S. Mid-Cap Value Equity Fund	4.4
BlueBay European High Yield Bond Fund	4.0
RBC Emerging Markets Equity Fund	3.4
Phillips, Hager & North Conservative Equity Income Fund	3.4
RBC QUBE Low Volatility Canadian Equity Fund	3.4
RBC Private Canadian Mid-Cap Equity Pool	3.4
RBC Global Bond Fund	3.0
RBC Global Corporate Bond Fund	3.0
BlueBay Global Sovereign Bond Fund (Canada)	3.0
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	3.0
RBC European Equity Fund	2.6
RBC U.S. Equity Value Fund	2.5
Phillips, Hager & North Canadian Equity Value Fund	2.0
Cash & Cash Equivalents	0.9
RBC Asia Pacific ex-Japan Equity Fund	0.9
RBC Canadian Short-Term Income Fund	0.5
Top 25 Holdings	99.1

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.



PORTFOLIO SOLUTION

RBC RETIREMENT 2045 PORTFOLIO

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.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for retirement that commences around 2045 (the “target date”). It seeks to provide total returns comprised of income and modest capital appreciation.

The Fund invests primarily in a diversified portfolio of equity, fixed-income and/or money market securities from anywhere in the world, gradually shifting its asset mix to emphasize fixed-income and/or money market investments. The Fund invests up to 100% of its NAV in funds managed by RBC GAM or an affiliate.

Ten years after the target date of the Fund is reached, it is expected that the Fund’s asset allocation will be substantially similar to the RBC Retirement Income Solution.

Results of Operations

The Fund’s net asset value was \$23 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units gained 1.8%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the RBC Global High Yield Bond Fund and the BlueBay Global Investment Grade Corporate Bond Fund (Canada).

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the RBC Global Equity Focus Fund and the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher. Corporate earnings continue to rise steadily, which the portfolio manager believes bodes well for stocks.

Effective January 1, 2040, the management fee will decline to 1.50% for Series A units, 1.50% for Advisor Series units and 0.75% for Series F units.

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.



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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.

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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.

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	Total		
Series A													
June 30, 2018	10.58	0.08	(0.11)	—	0.25	0.22	—	—	—	—	—	10.78	
Dec. 31, 2017	10.01	0.38	(0.22)	0.36	0.30	0.82	—	(0.10)	(0.21)	—	(0.31)	10.58	
Dec. 31, 2016 ³	10.00 [†]	0.15	(0.10)	0.13	(0.25)	(0.07)	(0.01)	(0.02)	(0.09)	—	(0.12)	10.01	
Advisor Series													
June 30, 2018	10.59	0.09	(0.10)	—	0.22	0.21	—	—	—	—	—	10.80	
Dec. 31, 2017	10.01	0.72	(0.20)	0.69	(0.31)	0.90	—	(0.11)	(0.21)	—	(0.32)	10.59	
Dec. 31, 2016 ³	10.00 [†]	0.25	(0.11)	0.22	(0.23)	0.13	(0.01)	(0.02)	(0.09)	—	(0.12)	10.01	
Series F													
June 30, 2018	10.48	0.08	(0.05)	—	0.24	0.27	—	—	—	—	—	10.73	
Dec. 31, 2017	9.92	0.29	(0.10)	0.27	0.84	1.30	(0.01)	(0.22)	(0.21)	—	(0.44)	10.48	
Dec. 31, 2016 ³	10.00 [†]	0.25	(0.08)	0.22	(0.23)	0.16	(0.03)	(0.12)	(0.09)	—	(0.24)	9.92	
Series O													
June 30, 2018	10.40	0.08	—	—	0.22	0.30	—	—	—	—	—	10.70	
Dec. 31, 2017	9.85	1.73	(0.02)	1.64	(1.74)	1.61	(0.01)	(0.32)	(0.21)	—	(0.54)	10.40	
Dec. 31, 2016 ³	10.00 [†]	0.25	(0.07)	0.22	(0.22)	0.18	(0.05)	(0.19)	(0.09)	—	(0.33)	9.85	

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 September 23, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	10.78	22 320	2 071	2.07	2.08	1.75	0.05
Dec. 31, 2017	10.58	12 722	1 202	2.11	2.15	3.99	0.07
Dec. 31, 2016 ⁴	10.01	263	26	2.15	2.76	3.87	0.11
Advisor Series							
June 30, 2018	10.80	1	—	2.00	2.01	1.75	0.05
Dec. 31, 2017	10.59	1	—	2.00	2.04	3.99	0.07
Dec. 31, 2016 ⁴	10.01	1	—	2.15	2.76	3.87	0.11
Series F							
June 30, 2018	10.73	730	68	0.99	1.00	1.75	0.05
Dec. 31, 2017	10.48	586	56	0.96	1.00	3.99	0.07
Dec. 31, 2016 ⁴	9.92	1	—	1.02	1.63	3.87	0.11
Series O							
June 30, 2018	10.70	1	—	0.07	0.08	1.75	0.05
Dec. 31, 2017	10.40	1	—	0.08	0.12	3.99	0.07
Dec. 31, 2016 ⁴	9.85	150	15	0.07	0.69	3.87	0.11

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 From September 23, 2016.

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	1.80%	56%	44%
Advisor Series	1.80%	56%	44%
Series F	0.80%	—	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 F (%)



Series O (%)



Series A, Advisor Series, Series F and Series O units have been available for sale to unitholders since October 11, 2016.

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
Income Funds	37.9
International Equity Funds	28.6
Canadian Equity Funds	19.8
United States Equity Funds	13.0
Cash/Other	0.7

Top 25 Holdings

	% of Net Asset Value
RBC Global Equity Focus Fund	9.9
Phillips, Hager & North Canadian Equity Underlying Fund	7.0
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	6.9
Phillips, Hager & North Total Return Bond Fund	6.5
RBC Bond Fund	6.0
Phillips, Hager & North Canadian Growth Fund	5.7
RBC Global High Yield Bond Fund	5.0
BlueBay European High Yield Bond Fund	5.0
RBC QUBE Low Volatility Global Equity Fund	5.0
RBC U.S. Mid-Cap Value Equity Fund	4.6
RBC Global Dividend Growth Fund	4.4
RBC Emerging Markets Equity Fund	3.8
RBC Private Canadian Mid-Cap Equity Pool	3.4
Phillips, Hager & North Conservative Equity Income Fund	3.2
RBC Global Bond Fund	3.0
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	3.0
BlueBay Global Sovereign Bond Fund (Canada)	3.0
RBC Global Corporate Bond Fund	3.0
RBC European Equity Fund	2.5
RBC QUBE Low Volatility Canadian Equity Fund	2.5
RBC U.S. Equity Value Fund	1.4
Phillips, Hager & North Canadian Equity Value Fund	1.2
RBC Asia Pacific ex-Japan Equity Fund	1.0
Cash & Cash Equivalents	0.8
RBC European Mid-Cap Equity Fund	0.6
Top 25 Holdings	98.4

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.



PORTFOLIO SOLUTION

RBC RETIREMENT 2050 PORTFOLIO

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 is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for retirement that commences around 2050 (the “target date”). It seeks to provide total returns comprised of income and modest capital appreciation.

The Fund invests primarily in a diversified portfolio of equity, fixed-income and/or money market securities from anywhere in the world, gradually shifting its asset mix to emphasize fixed-income and/or money market investments. The Fund invests up to 100% of its NAV in funds managed by RBC GAM or an affiliate.

Ten years after the target date of the Fund is reached, it is expected that the Fund’s asset allocation will be substantially similar to the RBC Retirement Income Solution.

Results of Operations

The Fund’s net asset value was \$17 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units gained 1.5%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the RBC Global High Yield Bond Fund and the BlueBay Global Investment Grade Corporate Bond Fund (Canada).

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings

growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the RBC Global Equity Focus Fund and the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher. Corporate earnings continue to rise steadily, which the portfolio manager believes bodes well for stocks.

Effective June 28, 2018, the Fund’s risk rating changed from low to low-to-medium.

Effective January 1, 2045, the management fee will decline to 1.50% for Series A units, 1.50% for Advisor Series units and 0.75% for Series F units.

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.

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	Total		
Series A													
June 30, 2018	10.41	0.09	(0.11)	—	0.20	0.18	—	—	—	—	—	10.56	
Dec. 31, 2017	9.97	0.33	(0.22)	0.29	0.25	0.65	—	(0.09)	(0.18)	—	(0.27)	10.41	
Dec. 31, 2016 ³	10.00 [†]	0.12	(0.09)	0.11	(0.01)	0.13	(0.01)	(0.01)	(0.09)	—	(0.11)	9.97	
Advisor Series													
June 30, 2018	10.42	0.10	(0.09)	—	0.16	0.17	—	—	—	—	—	10.59	
Dec. 31, 2017	9.97	0.58	(0.20)	0.49	(0.14)	0.73	—	(0.10)	(0.18)	—	(0.28)	10.42	
Dec. 31, 2016 ³	10.00 [†]	0.24	(0.11)	0.21	(0.27)	0.07	(0.01)	(0.01)	(0.09)	—	(0.11)	9.97	
Series F													
June 30, 2018	10.29	0.09	(0.05)	—	0.23	0.27	—	—	—	—	—	10.50	
Dec. 31, 2017	9.86	0.31	(0.10)	0.27	0.28	0.76	(0.01)	(0.20)	(0.18)	—	(0.39)	10.29	
Dec. 31, 2016 ³	10.00 [†]	0.24	(0.08)	0.21	(0.27)	0.10	(0.04)	(0.11)	(0.09)	—	(0.24)	9.86	
Series O													
June 30, 2018	10.22	0.10	—	—	0.16	0.26	—	—	—	—	—	10.48	
Dec. 31, 2017	9.80	1.30	(0.02)	1.11	(1.02)	1.37	(0.01)	(0.30)	(0.18)	—	(0.49)	10.22	
Dec. 31, 2016 ³	10.00 [†]	0.24	(0.07)	0.21	(0.26)	0.12	(0.06)	(0.17)	(0.09)	—	(0.32)	9.80	

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 September 23, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	10.56	16 917	1 602	2.08	2.09	4.65	0.05
Dec. 31, 2017	10.41	8 926	858	2.11	2.16	4.78	0.07
Dec. 31, 2016 ⁴	9.97	297	30	2.14	2.73	3.40	0.08
Advisor Series							
June 30, 2018	10.59	1	—	2.00	2.01	4.65	0.05
Dec. 31, 2017	10.42	1	—	2.00	2.05	4.78	0.07
Dec. 31, 2016 ⁴	9.97	1	—	2.14	2.73	3.40	0.08
Series F							
June 30, 2018	10.50	218	21	0.96	0.97	4.65	0.05
Dec. 31, 2017	10.29	119	12	0.95	1.00	4.78	0.07
Dec. 31, 2016 ⁴	9.86	1	—	1.01	1.60	3.40	0.08
Series O							
June 30, 2018	10.48	1	—	0.07	0.08	4.65	0.05
Dec. 31, 2017	10.22	1	—	0.08	0.13	4.78	0.07
Dec. 31, 2016 ⁴	9.80	149	15	0.07	0.66	3.40	0.08

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 From September 23, 2016.

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	1.80%	56%	44%
Advisor Series	1.80%	56%	44%
Series F	0.80%	—	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

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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 F (%)



Series O (%)



Series A, Advisor Series, Series F and Series O units have been available for sale to unitholders since October 11, 2016.

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
Income Funds	45.5
International Equity Funds	23.4
Canadian Equity Funds	17.6
United States Equity Funds	12.7
Cash/Other	0.8

Top 25 Holdings

	% of Net Asset Value
RBC Global Equity Focus Fund	9.9
RBC Canadian Short-Term Income Fund	8.4
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	7.3
Phillips, Hager & North Canadian Equity Underlying Fund	7.0
Phillips, Hager & North Canadian Growth Fund	6.7
Phillips, Hager & North Total Return Bond Fund	6.5
RBC Bond Fund	6.4
BlueBay European High Yield Bond Fund	5.0
RBC Global High Yield Bond Fund	5.0
RBC U.S. Mid-Cap Value Equity Fund	4.9
RBC Emerging Markets Equity Fund	4.0
RBC QUBE Low Volatility Global Equity Fund	3.5
RBC Private Canadian Mid-Cap Equity Pool	3.5
RBC Global Corporate Bond Fund	3.0
BlueBay Global Sovereign Bond Fund (Canada)	3.0
RBC Global Bond Fund	3.0
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	3.0
RBC European Equity Fund	2.5
Phillips, Hager & North Conservative Equity Income Fund	2.1
RBC Asia Pacific ex-Japan Equity Fund	1.1
Cash & Cash Equivalents	0.9
RBC European Mid-Cap Equity Fund	0.8
RBC Japanese Equity Fund	0.6
RBC Emerging Markets Small-Cap Equity Fund	0.5
RBC Emerging Markets Dividend Fund	0.5
Top 25 Holdings	99.1

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.



PORTFOLIO SOLUTION

**RBC SELECT VERY
CONSERVATIVE PORTFOLIO**

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 is a strategic asset allocation fund, which focuses on providing income and the potential for modest capital growth. The Fund maintains a balance of investments across several asset classes by investing in funds managed by RBC GAM or an affiliate.

The Fund's target weightings for each asset class are 80% fixed income, 10% Canadian equities, 5% U.S. equities and 5% international equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the equities asset classes.

Results of Operations

The Fund's net asset value was \$13.1 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.1%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were boosted by the Phillips, Hager & North Bond Fund and the RBC Global Bond Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund and the RBC Global Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight fixed income but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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.

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	Total	
Series A												
June 30, 2018	12.42	0.16	(0.10)	0.06	(0.11)	0.01	(0.02)	(0.02)	—	—	(0.04)	12.39
Dec. 31, 2017	12.13	0.33	(0.20)	0.19	0.16	0.48	(0.06)	(0.06)	(0.07)	—	(0.19)	12.42
Dec. 31, 2016	12.04	0.35	(0.20)	0.26	0.02	0.43	(0.06)	(0.07)	(0.22)	—	(0.35)	12.13
Dec. 31, 2015	12.14	0.38	(0.21)	0.34	(0.22)	0.29	(0.10)	(0.06)	(0.27)	—	(0.43)	12.04
Dec. 31, 2014	11.83	0.35	(0.20)	0.48	0.15	0.78	(0.08)	(0.05)	(0.35)	—	(0.48)	12.14
Dec. 31, 2013	11.52	0.36	(0.20)	0.18	0.23	0.57	(0.10)	(0.06)	(0.11)	—	(0.27)	11.83
Advisor Series												
June 30, 2018	12.48	0.16	(0.10)	0.06	(0.11)	0.01	(0.02)	(0.02)	—	—	(0.04)	12.45
Dec. 31, 2017	12.19	0.33	(0.21)	0.19	0.15	0.46	(0.06)	(0.06)	(0.07)	—	(0.19)	12.48
Dec. 31, 2016	12.10	0.36	(0.21)	0.26	0.02	0.43	(0.06)	(0.07)	(0.21)	—	(0.34)	12.19
Dec. 31, 2015	12.20	0.38	(0.21)	0.34	(0.22)	0.29	(0.09)	(0.07)	(0.27)	—	(0.43)	12.10
Dec. 31, 2014	11.87	0.35	(0.21)	0.47	0.15	0.76	(0.06)	(0.05)	(0.35)	—	(0.46)	12.20
Dec. 31, 2013	11.54	0.35	(0.20)	0.18	0.23	0.56	(0.08)	(0.05)	(0.11)	—	(0.24)	11.87
Series T5												
June 30, 2018	11.19	0.14	(0.09)	0.05	(0.10)	—	(0.03)	(0.06)	—	(0.19)	(0.28)	10.92
Dec. 31, 2017	11.31	0.30	(0.19)	0.17	0.16	0.44	(0.05)	(0.07)	(0.06)	(0.38)	(0.56)	11.19
Dec. 31, 2016	11.48	0.33	(0.19)	0.24	0.02	0.40	(0.06)	(0.07)	(0.22)	(0.23)	(0.58)	11.31
Dec. 31, 2015	11.74	0.36	(0.19)	0.32	(0.20)	0.29	(0.09)	(0.08)	(0.29)	(0.13)	(0.59)	11.48
Dec. 31, 2014	11.56	0.34	(0.19)	0.45	0.15	0.75	(0.08)	(0.05)	(0.40)	(0.05)	(0.58)	11.74
Dec. 31, 2013	11.57	0.34	(0.19)	0.17	0.22	0.54	(0.09)	(0.05)	(0.13)	(0.31)	(0.58)	11.55
Series F												
June 30, 2018	12.46	0.16	(0.05)	0.06	(0.08)	0.09	(0.04)	(0.05)	—	—	(0.09)	12.43
Dec. 31, 2017	12.16	0.33	(0.10)	0.19	0.13	0.55	(0.10)	(0.11)	(0.07)	—	(0.28)	12.46
Dec. 31, 2016	12.13	0.35	(0.10)	0.26	(0.23)	0.28	(0.14)	(0.16)	(0.21)	—	(0.51)	12.16
Dec. 31, 2015	12.24	0.38	(0.09)	0.34	(0.22)	0.41	(0.16)	(0.12)	(0.29)	—	(0.57)	12.13
Dec. 31, 2014	11.90	0.35	(0.09)	0.47	0.15	0.88	(0.14)	(0.09)	(0.35)	—	(0.58)	12.24
Dec. 31, 2013	11.55	0.35	(0.08)	0.17	0.23	0.67	(0.14)	(0.08)	(0.11)	—	(0.33)	11.90
Series FT5												
June 30, 2018	12.13	0.15	(0.05)	0.06	(0.09)	0.07	(0.05)	(0.11)	—	(0.15)	(0.31)	11.89
Dec. 31, 2017	12.16	0.32	(0.10)	0.19	0.11	0.52	(0.10)	(0.12)	(0.10)	(0.29)	(0.61)	12.13
Dec. 31, 2016 ³	12.40 [†]	0.16	(0.05)	0.12	(0.28)	(0.05)	(0.05)	(0.05)	(0.28)	—	(0.38)	12.16



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	Total	
Series O												
June 30, 2018	10.12	0.13	—	0.05	(0.16)	0.02	(0.05)	(0.06)	—	—	(0.11)	10.10
Dec. 31, 2017	9.88	0.27	—	0.16	0.27	0.70	(0.12)	(0.14)	(0.06)	—	(0.32)	10.12
Dec. 31, 2016	9.91	0.29	—	0.22	0.02	0.53	(0.17)	(0.19)	(0.19)	—	(0.55)	9.88
Dec. 31, 2015	9.99	0.30	—	0.27	(0.17)	0.40	(0.18)	(0.13)	(0.22)	—	(0.53)	9.91
Dec. 31, 2014 ⁴	10.00 [†]	0.24	—	0.32	0.10	0.66	(0.16)	(0.11)	(0.30)	—	(0.57)	9.99

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 July 4, 2016.

⁴ From February 24, 2014.

[†] 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	12.39	11 739 314	947 835	1.69	1.69	5.68	0.02
Dec. 31, 2017	12.42	11 973 747	964 460	1.69	1.69	7.76	0.02
Dec. 31, 2016	12.13	11 232 629	926 411	1.69	1.69	9.88	0.04
Dec. 31, 2015	12.04	9 632 305	799 747	1.69	1.69	11.22	0.04
Dec. 31, 2014	12.14	7 742 891	637 751	1.69	1.69	24.72	0.04
Dec. 31, 2013	11.83	5 841 347	493 870	1.69	1.69	13.48	0.04
Advisor Series							
June 30, 2018	12.45	70 529	5 665	1.72	1.72	5.68	0.02
Dec. 31, 2017	12.48	71 328	5 715	1.73	1.73	7.76	0.02
Dec. 31, 2016	12.19	74 347	6 099	1.73	1.73	9.88	0.04
Dec. 31, 2015	12.10	70 223	5 803	1.73	1.73	11.22	0.04
Dec. 31, 2014	12.20	50 737	4 159	1.71	1.71	24.72	0.04
Dec. 31, 2013	11.87	20 520	1 729	1.70	1.70	13.48	0.04
Series T5							
June 30, 2018	10.92	278 663	25 516	1.68	1.68	5.68	0.02
Dec. 31, 2017	11.19	303 228	27 097	1.68	1.68	7.76	0.02
Dec. 31, 2016	11.31	285 641	25 257	1.67	1.67	9.88	0.04
Dec. 31, 2015	11.48	220 953	19 246	1.68	1.68	11.22	0.04
Dec. 31, 2014	11.74	135 201	11 513	1.69	1.69	24.72	0.04
Dec. 31, 2013	11.56	65 990	5 711	1.69	1.69	13.48	0.04
Series F							
June 30, 2018	12.43	946 391	76 117	0.85	0.85	5.68	0.02
Dec. 31, 2017	12.46	725 190	58 187	0.86	0.86	7.76	0.02
Dec. 31, 2016	12.16	327 263	26 914	0.84 ⁴	0.84	9.88	0.04
Dec. 31, 2015	12.13	69 807	5 755	0.74	0.74	11.22	0.04
Dec. 31, 2014	12.24	77 195	6 305	0.75	0.75	24.72	0.04
Dec. 31, 2013	11.90	20 194	1 696	0.74	0.74	13.48	0.04



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	11.89	61 733	5 193	0.85	0.85	5.68	0.02
Dec. 31, 2017	12.13	51 024	4 206	0.86	0.86	7.76	0.02
Dec. 31, 2016 ⁵	12.16	19 665	1 617	0.85	0.85	9.88	0.04
Series O							
June 30, 2018	10.10	2 481	246	0.06	0.06	5.68	0.02
Dec. 31, 2017	10.12	6 506	643	0.06	0.06	7.76	0.02
Dec. 31, 2016	9.88	2 623	265	0.05	0.05	9.88	0.04
Dec. 31, 2015	9.91	2 573	260	0.05	0.05	11.22	0.04
Dec. 31, 2014 ⁶	9.99	8	1	0.04	0.04	24.72	0.04

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 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 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 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 F – 0.87%.

⁵ From July 4, 2016.

⁶ From February 24, 2014.

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 management fee payable in respect of each of Series A, Advisor Series and Series T5 units of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A, Advisor Series and Series T5 units is 1.60%.

The management fee payable to RBC GAM in respect of Series F and Series FT5 units of the Fund is a fixed fee and the MER of each of these series comprises the management fee, administration fee, taxes, other fund costs and any fees and expenses of the underlying funds.

The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

	Management Fees*	Breakdown of Services	
		Distribution	Other [†]
Series A	1.45%	52%	48%
Advisor Series	1.45%	52%	48%
Series T5	1.45%	52%	48%
Series F	0.70%	—	100%
Series FT5	0.70%	—	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.

* Management fees for Series A, Advisor Series and Series T5 units represent the actual average management fee rate for the period ended June 30, 2018.

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

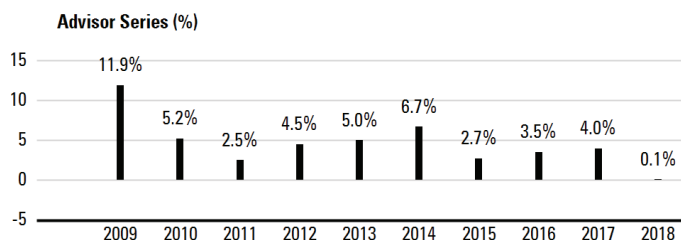
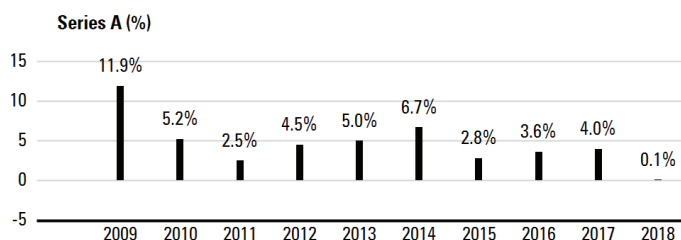


PAST PERFORMANCE

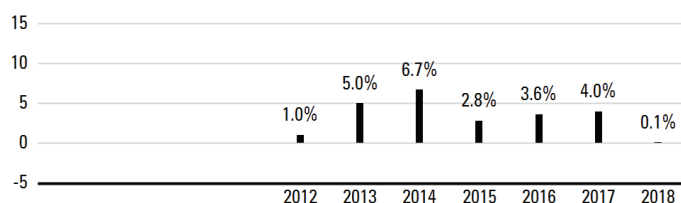
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

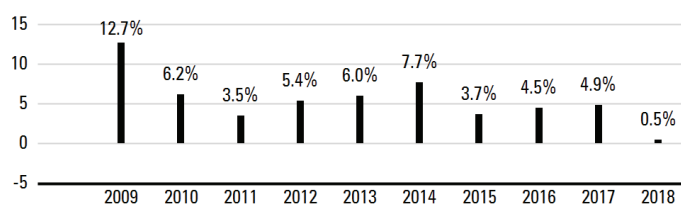
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series T5 (%)



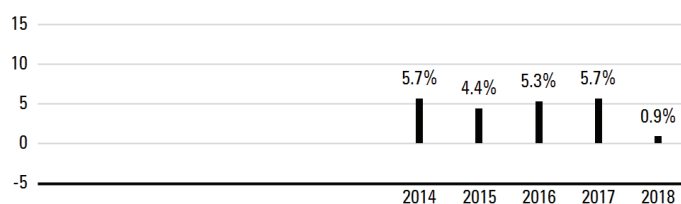
Series F (%)



Series FT5 (%)



Series O (%)



Series FT5 units have been available for sale to unitholders since July 4, 2016, Series O units since February 24, 2014, Series T5 units since September 24, 2012, and Series A, Advisor Series and Series F units since March 9, 2009.

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
Income Funds	78.3
Canadian Equity Funds	8.5
International Equity Funds	6.4
United States Equity Funds	5.5
Cash/Other	1.3

Top 25 Holdings*

	% of Net Asset Value
Phillips, Hager & North Bond Fund	14.3
RBC Global Corporate Bond Fund	12.8
RBC Global Bond Fund	11.5
Phillips, Hager & North Total Return Bond Fund	10.1
RBC Canadian Short-Term Income Fund	7.5
RBC Bond Fund	6.3
Phillips, Hager & North Short Term Bond & Mortgage Fund	6.0
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	5.5
RBC European Equity Fund	4.0
RBC Canadian Dividend Fund	3.7
Phillips, Hager & North Conservative Equity Income Fund	3.6
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	2.7
RBC Private Canadian Equity Pool	2.4
RBC Global High Yield Bond Fund	2.0
Cash & Cash Equivalents	1.6
Phillips, Hager & North Canadian Equity Underlying Fund II	1.4
BlueBay Global Sovereign Bond Fund (Canada)	1.4
RBC Global Equity Fund	1.2
Phillips, Hager & North Canadian Equity Underlying Fund	0.9
RBC Asia Pacific ex-Japan Equity Fund	0.7
RBC Japanese Equity Fund	0.5
The S&P/TSX 60 Index Future, September 2018	—
Mini MSCI EAFE Index Future, September 2018	(0.1)
Total	100.0

* The Fund holds fewer than 25 holdings.

The Fund may use futures contracts as an asset substitution or as a way to reduce interest-rate risk.

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.



PORTFOLIO SOLUTION

RBC SELECT CONSERVATIVE PORTFOLIO

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 is a strategic asset allocation fund, which focuses on providing income and the potential for moderate capital growth. The Fund maintains a balance of investments across several asset classes by investing in other funds managed by RBC GAM or an affiliate.

The Fund's target weightings for each asset class are 65% fixed income, 15% Canadian equities, 10% U.S. equities and 10% international equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the equities asset classes.

Results of Operations

The Fund's net asset value was \$28.7 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.4%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were boosted by the RBC Bond Fund and the Phillips, Hager & North Total Return Bond Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund and the RBC QUBE U.S. Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight fixed income but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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.

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	Total	
Series A												
June 30, 2018	21.52	0.26	(0.19)	0.06	(0.04)	0.09	—	(0.03)	—	—	(0.03)	21.57
Dec. 31, 2017	20.65	0.57	(0.38)	0.40	0.59	1.18	(0.01)	(0.16)	(0.15)	—	(0.32)	21.52
Dec. 31, 2016	20.37	0.59	(0.37)	0.49	0.15	0.86	(0.02)	(0.18)	(0.36)	—	(0.56)	20.65
Dec. 31, 2015	20.50	0.61	(0.38)	0.90	(0.35)	0.78	(0.02)	(0.20)	(0.74)	—	(0.96)	20.37
Dec. 31, 2014	20.06	0.57	(0.38)	1.25	0.12	1.56	(0.02)	(0.14)	(0.98)	—	(1.14)	20.50
Dec. 31, 2013	18.81	0.58	(0.36)	0.37	1.10	1.69	(0.05)	(0.17)	(0.22)	—	(0.44)	20.06
Advisor Series												
June 30, 2018	21.73	0.26	(0.19)	0.06	(0.03)	0.10	—	(0.03)	—	—	(0.03)	21.78
Dec. 31, 2017	20.85	0.57	(0.39)	0.41	0.60	1.19	(0.01)	(0.16)	(0.15)	—	(0.32)	21.73
Dec. 31, 2016	20.56	0.60	(0.38)	0.49	0.18	0.89	(0.02)	(0.18)	(0.36)	—	(0.56)	20.85
Dec. 31, 2015	20.68	0.61	(0.39)	0.90	(0.35)	0.77	(0.02)	(0.20)	(0.74)	—	(0.96)	20.56
Dec. 31, 2014	20.21	0.57	(0.38)	1.26	0.12	1.57	(0.02)	(0.14)	(0.96)	—	(1.12)	20.68
Dec. 31, 2013	18.91	0.58	(0.35)	0.37	1.11	1.71	(0.05)	(0.14)	(0.22)	—	(0.41)	20.21
Series T5												
June 30, 2018	19.59	0.23	(0.17)	0.06	(0.04)	0.08	—	(0.16)	—	(0.33)	(0.49)	19.18
Dec. 31, 2017	19.46	0.52	(0.35)	0.37	0.56	1.10	(0.01)	(0.18)	(0.13)	(0.65)	(0.97)	19.59
Dec. 31, 2016	19.66	0.56	(0.35)	0.46	0.17	0.84	(0.02)	(0.19)	(0.32)	(0.45)	(0.98)	19.46
Dec. 31, 2015	19.91	0.58	(0.36)	0.85	(0.33)	0.74	(0.02)	(0.19)	(0.85)	—	(1.06)	19.66
Dec. 31, 2014	19.62	0.54	(0.36)	1.19	0.11	1.48	(0.02)	(0.14)	(1.07)	—	(1.23)	19.91
Dec. 31, 2013	18.89	0.55	(0.35)	0.35	1.04	1.59	(0.05)	(0.14)	(0.39)	(0.36)	(0.94)	19.62
Series F												
June 30, 2018	21.75	0.26	(0.09)	0.06	0.02	0.25	(0.01)	(0.13)	—	—	(0.14)	21.80
Dec. 31, 2017	20.86	0.57	(0.19)	0.40	0.58	1.36	(0.02)	(0.34)	(0.15)	—	(0.51)	21.75
Dec. 31, 2016	20.67	0.59	(0.18)	0.48	(0.17)	0.72	(0.06)	(0.45)	(0.36)	—	(0.87)	20.86
Dec. 31, 2015	20.74	0.62	(0.16)	0.90	(0.35)	1.01	(0.04)	(0.35)	(0.75)	—	(1.14)	20.67
Dec. 31, 2014	20.25	0.57	(0.16)	1.26	0.12	1.79	(0.04)	(0.30)	(0.99)	—	(1.33)	20.74
Dec. 31, 2013	18.93	0.58	(0.15)	0.37	1.10	1.90	(0.09)	(0.27)	(0.22)	—	(0.58)	20.25
Series FT5												
June 30, 2018	21.18	0.25	(0.09)	0.06	—	0.22	(0.01)	(0.29)	—	(0.23)	(0.53)	20.83
Dec. 31, 2017	20.84	0.55	(0.18)	0.39	0.59	1.35	(0.02)	(0.35)	(0.21)	(0.46)	(1.04)	21.18
Dec. 31, 2016 ³	20.93 [†]	0.28	(0.09)	0.23	(0.19)	0.23	(0.02)	(0.13)	(0.51)	—	(0.66)	20.84



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	Total	
		Series O										
June 30, 2018	21.98	0.26	—	0.06	0.01	0.33	(0.01)	(0.22)	—	—	(0.23)	22.03
Dec. 31, 2017	21.08	0.58	—	0.41	0.62	1.61	(0.03)	(0.52)	(0.15)	—	(0.70)	21.98
Dec. 31, 2016	20.97	0.61	—	0.50	0.14	1.25	(0.09)	(0.69)	(0.36)	—	(1.14)	21.08
Dec. 31, 2015	21.01	0.63	—	0.92	(0.36)	1.19	(0.05)	(0.47)	(0.77)	—	(1.29)	20.97
Dec. 31, 2014	20.51	0.58	—	1.27	0.12	1.97	(0.05)	(0.44)	(1.00)	—	(1.49)	21.01
Dec. 31, 2013	19.20	0.60	—	0.38	1.13	2.11	(0.14)	(0.42)	(0.22)	—	(0.78)	20.51

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 July 4, 2016.

[†] 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	21.57	23 386 065	1 084 234	1.84	1.84	3.18	0.03
Dec. 31, 2017	21.52	23 294 946	1 082 685	1.84	1.84	6.57	0.04
Dec. 31, 2016	20.65	21 234 899	1 028 279	1.84	1.84	12.26	0.06
Dec. 31, 2015	20.37	19 307 267	947 789	1.84	1.84	16.35	0.06
Dec. 31, 2014	20.50	16 325 444	796 534	1.84	1.84	33.00	0.07
Dec. 31, 2013	20.06	13 077 664	651 959	1.85	1.85	15.96	0.08
Advisor Series							
June 30, 2018	21.78	59 969	2 753	1.85	1.85	3.18	0.03
Dec. 31, 2017	21.73	58 339	2 685	1.85	1.85	6.57	0.04
Dec. 31, 2016	20.85	55 642	2 669	1.84	1.84	12.26	0.06
Dec. 31, 2015	20.56	38 102	1 853	1.84	1.84	16.35	0.06
Dec. 31, 2014	20.68	28 791	1 392	1.84	1.84	33.00	0.07
Dec. 31, 2013	20.21	24 859	1 230	1.82	1.82	15.96	0.08
Series T5							
June 30, 2018	19.18	504 856	26 320	1.83	1.83	3.18	0.03
Dec. 31, 2017	19.59	507 950	25 927	1.83	1.83	6.57	0.04
Dec. 31, 2016	19.46	448 787	23 060	1.82	1.82	12.26	0.06
Dec. 31, 2015	19.66	376 825	19 169	1.83	1.83	16.35	0.06
Dec. 31, 2014	19.91	209 456	10 520	1.83	1.83	33.00	0.07
Dec. 31, 2013	19.62	99 674	5 081	1.84	1.84	15.96	0.08
Series F							
June 30, 2018	21.80	3 754 802	172 230	0.90	0.90	3.18	0.03
Dec. 31, 2017	21.75	2 436 280	112 025	0.91	0.91	6.57	0.04
Dec. 31, 2016	20.86	756 080	36 255	0.90 ⁴	0.90	12.26	0.06
Dec. 31, 2015	20.67	62 316	3 016	0.79	0.79	16.35	0.06
Dec. 31, 2014	20.74	35 950	1 734	0.79	0.79	33.00	0.07
Dec. 31, 2013	20.25	17 052	842	0.80	0.80	15.96	0.08



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	20.83	260 994	12 530	0.90	0.90	3.18	0.03
Dec. 31, 2017	21.18	167 137	7 894	0.91	0.91	6.57	0.04
Dec. 31, 2016 ⁵	20.84	51 066	2 450	0.90	0.90	12.26	0.06
Series O							
June 30, 2018	22.03	775 931	35 221	0.06	0.06	3.18	0.03
Dec. 31, 2017	21.98	626 035	28 486	0.06	0.06	6.57	0.04
Dec. 31, 2016	21.08	438 308	20 796	0.05	0.05	12.26	0.06
Dec. 31, 2015	20.97	235 913	11 248	0.05	0.05	16.35	0.06
Dec. 31, 2014	21.01	173 167	8 241	0.05	0.05	33.00	0.07
Dec. 31, 2013	20.51	79 726	3 888	0.04	0.04	15.96	0.08

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 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 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 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 F – 0.92%.

⁵ From July 4, 2016.

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 management fee payable in respect of each of Series A, Advisor Series and Series T5 units of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A, Advisor Series and Series T5 units is 1.75%.

The management fee payable to RBC GAM in respect of Series F and Series FT5 units of the Fund is a fixed fee and the MER of each of these series comprises the management fee, administration fee, taxes, other fund costs and any fees and expenses of the underlying funds.

The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

	Management Fees*	Breakdown of Services	
		Distribution	Other [†]
Series A	1.59%	47%	53%
Advisor Series	1.59%	47%	53%
Series T5	1.59%	47%	53%
Series F	0.75%	—	100%
Series FT5	0.75%	—	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.

* Management fees for Series A, Advisor Series and Series T5 units represent the actual average management fee rate for the period ended June 30, 2018.

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

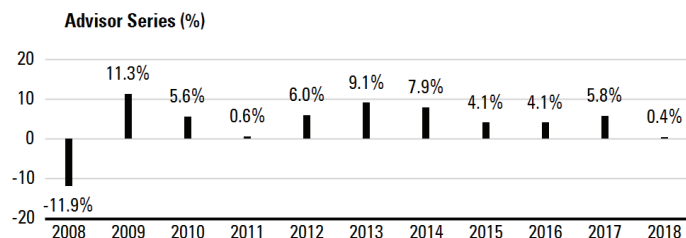
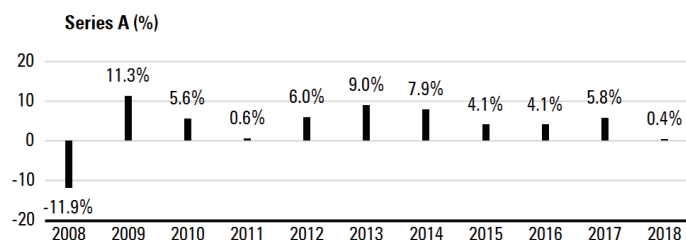


PAST PERFORMANCE

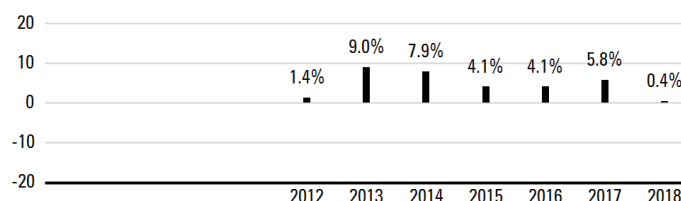
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

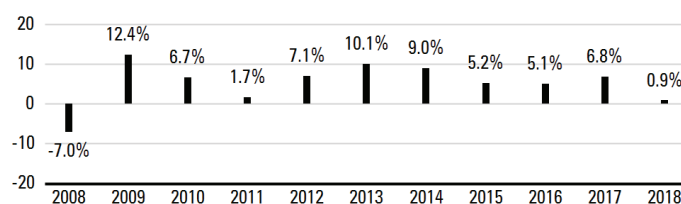
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series T5 (%)



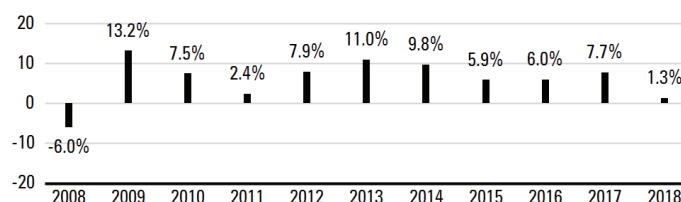
Series F (%)



Series FT5 (%)



Series O (%)



Series FT5 units have been available for sale to unitholders since July 4, 2016, Series T5 units since September 24, 2012, Series O units since September 22, 2008, and Series F units since January 21, 2008.

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
Income Funds	63.9
Canadian Equity Funds	12.3
International Equity Funds	11.7
United States Equity Funds	10.8
Cash/Other	1.3

Top 25 Holdings

	% of Net Asset Value
RBC Bond Fund	15.9
Phillips, Hager & North Total Return Bond Fund	9.2
RBC Canadian Short-Term Income Fund	8.3
RBC Global Corporate Bond Fund	7.6
RBC European Equity Fund	7.0
RBC Global Bond Fund	7.0
RBC Canadian Dividend Fund	5.1
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	5.1
Phillips, Hager & North Conservative Equity Income Fund	4.4
RBC Private Canadian Equity Pool	4.0
RBC Global High Yield Bond Fund	3.1
Phillips, Hager & North Short Term Bond & Mortgage Fund	2.5
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	2.5
RBC QUBE U.S. Equity Fund	2.3
RBC U.S. Dividend Fund	2.2
RBC Asia Pacific ex-Japan Equity Fund	2.1
BlueBay Global Sovereign Bond Fund (Canada)	1.8
Phillips, Hager & North Canadian Equity Underlying Fund II	1.7
Phillips, Hager & North Canadian Equity Underlying Fund	1.5
RBC Japanese Equity Fund	1.4
BlueBay European High Yield Bond Fund	1.3
RBC Global Equity Fund	1.2
RBC U.S. Equity Fund	1.1
Cash & Cash Equivalents	1.1
Mini MSCI EAFE Index Future, September 2018	(0.4)
Top 25 Holdings	99.0

The Fund may use futures contracts as an asset substitution or as a way to reduce interest-rate risk.

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.



PORTFOLIO SOLUTION

RBC SELECT BALANCED PORTFOLIO

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 is a strategic asset allocation fund, which focuses on providing long-term capital growth and modest income. The Fund maintains a balance of investments across several asset classes by investing in other funds managed by RBC GAM or an affiliate.

The Fund's target weightings for each asset class are 45% for fixed income, 19% for Canadian equities, 20% for U.S. equities, 12% for international equities and 4% for emerging markets equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the equities asset classes.

Results of Operations

The Fund's net asset value was \$31.2 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 1.2%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the RBC Global Corporate Bond Fund and the BlueBay Global Monthly Income Bond Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund and the RBC QUBE U.S. Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight fixed income but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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.

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	Total		
Series A													
June 30, 2018	27.23	0.27	(0.25)	0.04	0.28	0.34	—	—	—	—	—	27.57	
Dec. 31, 2017	25.45	0.68	(0.50)	0.61	1.42	2.21	—	(0.19)	(0.25)	—	(0.44)	27.23	
Dec. 31, 2016	24.70	0.71	(0.47)	0.42	0.59	1.25	—	(0.24)	(0.20)	—	(0.44)	25.45	
Dec. 31, 2015	24.65	0.72	(0.49)	1.34	(0.36)	1.21	—	(0.24)	(1.07)	—	(1.31)	24.70	
Dec. 31, 2014	24.26	0.62	(0.48)	2.28	(0.04)	2.38	(0.05)	(0.05)	(1.92)	—	(2.02)	24.65	
Dec. 31, 2013	21.72	0.64	(0.44)	0.56	2.31	3.07	(0.02)	(0.18)	(0.30)	—	(0.50)	24.26	
Advisor Series													
June 30, 2018	27.61	0.27	(0.26)	0.04	0.31	0.36	—	—	—	—	—	27.95	
Dec. 31, 2017	25.80	0.69	(0.51)	0.62	1.47	2.27	—	(0.19)	(0.25)	—	(0.44)	27.61	
Dec. 31, 2016	25.03	0.72	(0.48)	0.42	0.56	1.22	—	(0.24)	(0.20)	—	(0.44)	25.80	
Dec. 31, 2015	24.97	0.73	(0.50)	1.36	(0.36)	1.23	—	(0.24)	(1.07)	—	(1.31)	25.03	
Dec. 31, 2014	24.54	0.61	(0.49)	2.26	(0.03)	2.35	(0.03)	(0.04)	(1.92)	—	(1.99)	24.97	
Dec. 31, 2013	21.94	0.65	(0.45)	0.56	2.33	3.09	(0.01)	(0.16)	(0.30)	—	(0.47)	24.54	
Series T5													
June 30, 2018	24.72	0.24	(0.23)	0.03	0.26	0.30	—	(0.22)	—	(0.40)	(0.62)	24.41	
Dec. 31, 2017	23.88	0.63	(0.46)	0.56	1.31	2.04	—	(0.20)	(0.22)	(0.77)	(1.19)	24.72	
Dec. 31, 2016	23.97	0.68	(0.45)	0.40	0.60	1.23	—	(0.23)	(0.16)	(0.81)	(1.20)	23.88	
Dec. 31, 2015	24.05	0.68	(0.47)	1.28	(0.34)	1.15	—	(0.23)	(1.16)	—	(1.39)	23.97	
Dec. 31, 2014	23.61	0.59	(0.47)	2.17	(0.03)	2.26	(0.04)	(0.05)	(1.78)	—	(1.87)	24.05	
Dec. 31, 2013	21.72	0.59	(0.43)	0.52	2.14	2.82	(0.01)	(0.16)	(0.67)	(0.25)	(1.09)	23.61	
Series F													
June 30, 2018	28.53	0.28	(0.13)	0.04	0.37	0.56	—	—	—	—	—	29.03	
Dec. 31, 2017	26.46	0.71	(0.26)	0.63	1.47	2.55	—	(0.25)	(0.26)	—	(0.51)	28.53	
Dec. 31, 2016	25.47	0.72	(0.25)	0.42	0.53	1.42	—	(0.30)	(0.20)	—	(0.50)	26.46	
Dec. 31, 2015	25.27	0.73	(0.23)	1.38	(0.37)	1.51	(0.01)	(0.37)	(1.09)	—	(1.47)	25.47	
Dec. 31, 2014	24.70	0.62	(0.22)	2.29	(0.04)	2.65	(0.11)	(0.13)	(1.91)	—	(2.15)	25.27	
Dec. 31, 2013	22.04	0.66	(0.21)	0.57	2.36	3.38	(0.03)	(0.35)	(0.30)	—	(0.68)	24.70	
Series FT5													
June 30, 2018	27.44	0.26	(0.12)	0.04	0.33	0.51	—	(0.45)	—	(0.24)	(0.69)	27.22	
Dec. 31, 2017	26.24	0.68	(0.25)	0.61	1.49	2.53	—	(0.46)	(0.39)	(0.46)	(1.31)	27.44	
Dec. 31, 2016 ³	25.76 [†]	0.35	(0.12)	0.20	0.16	0.59	—	(0.19)	(0.31)	(0.14)	(0.64)	26.24	



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	Total	
		Series 0										
June 30, 2018	29.06	0.28	—	0.04	0.33	0.65	—	—	—	—	—	29.70
Dec. 31, 2017	26.77	0.72	(0.01)	0.65	1.49	2.85	—	(0.33)	(0.26)	—	(0.59)	29.06
Dec. 31, 2016	25.62	0.75	(0.01)	0.44	0.63	1.81	—	(0.38)	(0.20)	—	(0.58)	26.77
Dec. 31, 2015	25.32	0.74	(0.01)	1.38	(0.37)	1.74	(0.01)	(0.48)	(1.10)	—	(1.59)	25.62
Dec. 31, 2014	24.87	0.64	(0.01)	2.35	(0.04)	2.94	(0.26)	(0.30)	(1.96)	—	(2.52)	25.32
Dec. 31, 2013	22.19	0.66	(0.01)	0.57	2.38	3.60	(0.05)	(0.55)	(0.30)	—	(0.90)	24.87

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 July 4, 2016.

[†] 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	27.57	25 838 710	937 127	1.94	1.94	1.10	0.05
Dec. 31, 2017	27.23	24 759 947	909 287	1.94	1.94	3.34	0.06
Dec. 31, 2016	25.45	21 185 655	832 369	1.94	1.94	5.91	0.10
Dec. 31, 2015	24.70	18 504 874	749 112	1.94	1.94	16.43	0.09
Dec. 31, 2014	24.65	14 592 897	591 902	1.94	1.94	35.26	0.10
Dec. 31, 2013	24.26	10 933 044	450 649	1.94	1.94	18.04	0.12
Advisor Series							
June 30, 2018	27.95	138 206	4 944	1.94	1.94	1.10	0.05
Dec. 31, 2017	27.61	127 611	4 623	1.94	1.94	3.34	0.06
Dec. 31, 2016	25.80	110 721	4 292	1.94	1.94	5.91	0.10
Dec. 31, 2015	25.03	105 271	4 205	1.94	1.94	16.43	0.09
Dec. 31, 2014	24.97	99 506	3 985	1.94	1.94	35.26	0.10
Dec. 31, 2013	24.54	26 788	1 091	1.94	1.94	18.04	0.12
Series T5							
June 30, 2018	24.41	206 574	8 463	1.94	1.94	1.10	0.05
Dec. 31, 2017	24.72	196 613	7 953	1.93	1.93	3.34	0.06
Dec. 31, 2016	23.88	181 601	7 605	1.93	1.93	5.91	0.10
Dec. 31, 2015	23.97	173 316	7 230	1.95	1.95	16.43	0.09
Dec. 31, 2014	24.05	106 581	4 431	1.95	1.95	35.26	0.10
Dec. 31, 2013	23.61	49 554	2 098	1.90	1.90	18.04	0.12
Series F							
June 30, 2018	29.03	4 487 912	154 621	0.96	0.96	1.10	0.05
Dec. 31, 2017	28.53	2 638 820	92 507	0.97	0.97	3.34	0.06
Dec. 31, 2016	26.46	683 497	25 836	0.98 ⁴	0.98	5.91	0.10
Dec. 31, 2015	25.47	44 100	1 731	0.90	0.90	16.43	0.09
Dec. 31, 2014	25.27	27 272	1 079	0.89	0.89	35.26	0.10
Dec. 31, 2013	24.70	6 719	272	0.90	0.90	18.04	0.12



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	27.22	200 916	7 381	0.96	0.96	1.10	0.05
Dec. 31, 2017	27.44	126 654	4 617	0.96	0.96	3.34	0.06
Dec. 31, 2016 ⁵	26.24	33 175	1 264	0.96	0.96	5.91	0.10
Series O							
June 30, 2018	29.70	352 990	11 887	0.07	0.07	1.10	0.05
Dec. 31, 2017	29.06	304 017	10 464	0.07	0.07	3.34	0.06
Dec. 31, 2016	26.77	235 251	8 787	0.07	0.07	5.91	0.10
Dec. 31, 2015	25.62	179 680	7 014	0.07	0.07	16.43	0.09
Dec. 31, 2014	25.32	122 851	4 852	0.06	0.06	35.26	0.10
Dec. 31, 2013	24.87	85 337	3 431	0.05	0.05	18.04	0.12

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 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 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 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 F – 0.98%.

⁵ From July 4, 2016.

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 management fee payable in respect of each of Series A, Advisor Series and Series T5 units of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A, Advisor Series and Series T5 units is 1.85%.

The management fee payable to RBC GAM in respect of Series F and Series FT5 units of the Fund is a fixed fee and the MER of each of these series comprises the management fee, administration fee, taxes, other fund costs and any fees and expenses of the underlying funds.

The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

	Management Fees*	Breakdown of Services	
		Distribution	Other [†]
Series A	1.67%	60%	40%
Advisor Series	1.67%	60%	40%
Series T5	1.67%	60%	40%
Series F	0.80%	—	100%
Series FT5	0.80%	—	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.

* Management fees for Series A, Advisor Series and Series T5 units represent the actual average management fee rate for the period ended June 30, 2018.

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

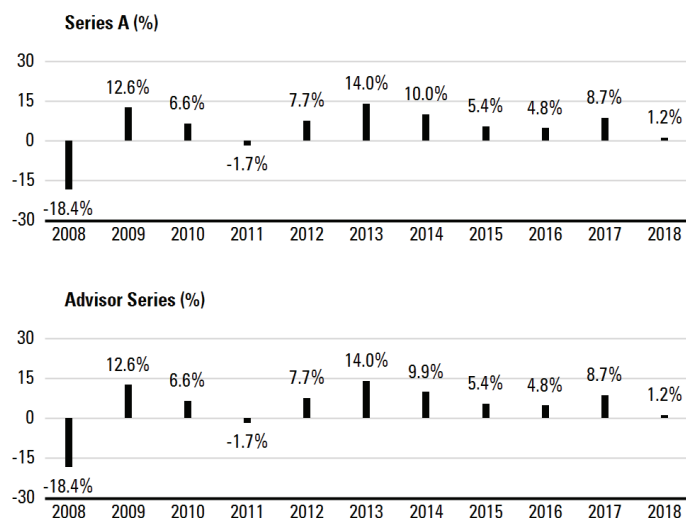


PAST PERFORMANCE

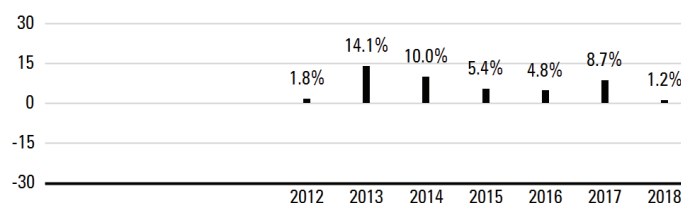
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

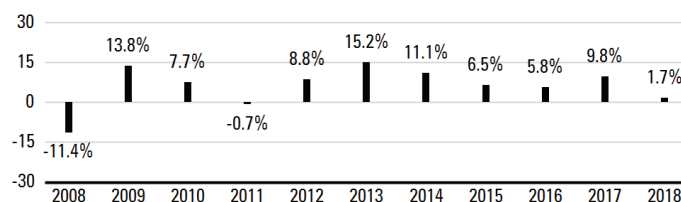
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series T5 (%)



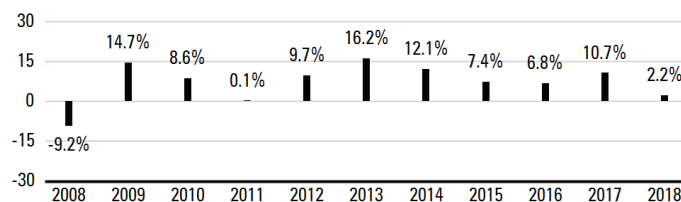
Series F (%)



Series FT5 (%)



Series O (%)



Series FT5 units have been available for sale to unitholders since July 4, 2016, Series T5 units since September 24, 2012, Series O units since September 22, 2008, and Series F units since January 21, 2008.

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
Income Funds	40.4
Canadian Equity Funds	20.1
International Equity Funds	19.6
United States Equity Funds	18.8
Cash/Other	1.1

Top 25 Holdings

	% of Net Asset Value
RBC Bond Fund	18.8
RBC Global Corporate Bond Fund	9.4
RBC European Equity Fund	6.6
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	5.9
RBC Canadian Dividend Fund	5.5
RBC Private Canadian Equity Pool	5.5
RBC QUBE U.S. Equity Fund	5.4
RBC Global Bond Fund	4.0
RBC QUBE Canadian Equity Fund	3.4
RBC Emerging Markets Equity Fund	3.2
Phillips, Hager & North Canadian Equity Underlying Fund	2.9
BlueBay Global Monthly Income Bond Fund	2.8
Phillips, Hager & North Canadian Equity Underlying Fund II	2.8
RBC Global Equity Focus Fund	2.8
RBC Global Dividend Growth Fund	2.7
RBC Private U.S. Large-Cap Core Equity Pool	2.2
RBC U.S. Dividend Fund	2.1
RBC Asia Pacific ex-Japan Equity Fund	2.1
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	1.9
BlueBay Global Sovereign Bond Fund (Canada)	1.2
RBC U.S. Mid-Cap Growth Equity Fund	1.1
RBC Japanese Equity Fund	1.1
RBC U.S. Equity Fund	1.1
RBC U.S. Mid-Cap Value Equity Fund	1.0
RBC Global High Yield Bond Fund	1.0
Top 25 Holdings	96.5

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.



PORTFOLIO SOLUTION

RBC SELECT GROWTH PORTFOLIO

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 is a strategic asset allocation fund, which focuses on providing long-term capital growth. The Fund maintains a balance of investments across several asset classes by investing in other funds managed by RBC GAM or an affiliate.

The Fund's target weightings for each asset class are 30% for fixed income, 23% for Canadian equities, 25% for U.S. equities, 16% for international equities and 6% for emerging markets equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the equities asset classes.

Results of Operations

The Fund's net asset value was \$9.5 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 1.8%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund and the RBC Global Equity Focus Fund.

Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped

interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the RBC Global Corporate Bond Fund and the BlueBay Global Monthly Income Bond Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight fixed income but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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.

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	Total		
Series A													
June 30, 2018	29.64	0.21	(0.29)	0.06	0.56	0.54	—	—	—	—	—	30.18	
Dec. 31, 2017	27.15	0.67	(0.57)	0.78	1.96	2.84	—	(0.08)	(0.27)	—	(0.35)	29.64	
Dec. 31, 2016	26.19	0.68	(0.52)	0.48	0.72	1.36	(0.01)	(0.15)	(0.17)	—	(0.33)	27.15	
Dec. 31, 2015	26.02	0.70	(0.55)	1.75	(0.28)	1.62	(0.01)	(0.16)	(1.43)	—	(1.60)	26.19	
Dec. 31, 2014	25.90	0.57	(0.54)	3.07	(0.39)	2.71	—	(0.01)	(2.61)	—	(2.62)	26.02	
Dec. 31, 2013	22.28	0.59	(0.49)	0.65	3.28	4.03	(0.02)	(0.09)	(0.28)	—	(0.39)	25.90	
Advisor Series													
June 30, 2018	30.22	0.21	(0.30)	0.06	0.57	0.54	—	—	—	—	—	30.76	
Dec. 31, 2017	27.67	0.69	(0.58)	0.80	2.00	2.91	—	(0.09)	(0.27)	—	(0.36)	30.22	
Dec. 31, 2016	26.69	0.69	(0.53)	0.49	0.63	1.28	(0.01)	(0.15)	(0.17)	—	(0.33)	27.67	
Dec. 31, 2015	26.51	0.71	(0.56)	1.79	(0.29)	1.65	(0.01)	(0.15)	(1.46)	—	(1.62)	26.69	
Dec. 31, 2014	26.47	0.57	(0.56)	3.04	(0.39)	2.66	—	—	(2.71)	—	(2.71)	26.51	
Dec. 31, 2013	22.76	0.60	(0.50)	0.66	3.35	4.11	(0.02)	(0.09)	(0.28)	—	(0.39)	26.47	
Series T5													
June 30, 2018	26.33	0.18	(0.26)	0.05	0.49	0.46	—	(0.17)	—	(0.48)	(0.65)	26.14	
Dec. 31, 2017	25.02	0.61	(0.51)	0.70	1.71	2.51	—	(0.10)	(0.23)	(0.92)	(1.25)	26.33	
Dec. 31, 2016	25.10	0.64	(0.49)	0.45	0.64	1.24	(0.01)	(0.13)	(0.13)	(0.98)	(1.25)	25.02	
Dec. 31, 2015	25.23	0.66	(0.53)	1.65	(0.27)	1.51	(0.01)	(0.13)	(1.67)	—	(1.81)	25.10	
Dec. 31, 2014	24.98	0.54	(0.52)	2.89	(0.37)	2.54	—	—	(2.35)	—	(2.35)	25.23	
Dec. 31, 2013	22.19	0.56	(0.48)	0.61	3.11	3.80	(0.01)	(0.07)	(0.45)	(0.58)	(1.11)	24.98	
Series F													
June 30, 2018	29.55	0.21	(0.14)	0.06	0.62	0.75	—	—	—	—	—	30.24	
Dec. 31, 2017	27.08	0.67	(0.28)	0.78	1.95	3.12	—	(0.40)	(0.26)	—	(0.66)	29.55	
Dec. 31, 2016	26.10	0.67	(0.27)	0.47	1.10	1.97	(0.03)	(0.39)	(0.17)	—	(0.59)	27.08	
Dec. 31, 2015	25.95	0.70	(0.26)	1.75	(0.28)	1.91	(0.02)	(0.43)	(1.44)	—	(1.89)	26.10	
Dec. 31, 2014	25.77	0.56	(0.26)	3.00	(0.38)	2.92	(0.01)	(0.16)	(2.66)	—	(2.83)	25.95	
Dec. 31, 2013	22.09	0.58	(0.24)	0.64	3.26	4.24	(0.04)	(0.24)	(0.28)	—	(0.56)	25.77	
Series FT5													
June 30, 2018	28.73	0.20	(0.14)	0.05	0.51	0.62	—	(0.37)	—	(0.35)	(0.72)	28.67	
Dec. 31, 2017	27.02	0.65	(0.27)	0.75	1.55	2.68	—	(0.40)	(0.29)	(0.66)	(1.35)	28.73	
Dec. 31, 2016 ³	26.11 [†]	0.33	(0.13)	0.23	1.43	1.86	(0.01)	(0.16)	(0.33)	(0.15)	(0.65)	27.02	



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	Total	
		Series 0										
June 30, 2018	30.60	0.21	—	0.06	0.59	0.86	—	—	—	—	—	31.46
Dec. 31, 2017	28.05	0.70	(0.01)	0.81	2.03	3.53	—	(0.72)	(0.28)	—	(1.00)	30.60
Dec. 31, 2016	27.05	0.71	(0.01)	0.50	0.78	1.98	(0.05)	(0.68)	(0.17)	—	(0.90)	28.05
Dec. 31, 2015	26.92	0.73	(0.01)	1.83	(0.29)	2.26	(0.04)	(0.71)	(1.51)	—	(2.26)	27.05
Dec. 31, 2014	26.77	0.60	(0.01)	3.20	(0.40)	3.39	(0.03)	(0.49)	(2.74)	—	(3.26)	26.92
Dec. 31, 2013	22.96	0.61	(0.01)	0.67	3.41	4.68	(0.09)	(0.50)	(0.28)	—	(0.87)	26.77

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 July 4, 2016.

[†] 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	30.18	8 191 584	271 455	2.04	2.04	1.24	0.06
Dec. 31, 2017	29.64	7 911 048	266 894	2.04	2.04	2.35	0.08
Dec. 31, 2016	27.15	6 990 245	257 460	2.04	2.04	6.80	0.12
Dec. 31, 2015	26.19	6 290 444	240 217	2.04	2.04	18.97	0.12
Dec. 31, 2014	26.02	5 138 120	197 442	2.04	2.04	42.85	0.14
Dec. 31, 2013	25.90	4 105 012	158 478	2.05	2.05	21.21	0.16
Advisor Series							
June 30, 2018	30.76	68 855	2 238	2.04	2.04	1.24	0.06
Dec. 31, 2017	30.22	67 480	2 233	2.04	2.04	2.35	0.08
Dec. 31, 2016	27.67	66 257	2 394	2.05	2.05	6.80	0.12
Dec. 31, 2015	26.69	66 786	2 503	2.04	2.04	18.97	0.12
Dec. 31, 2014	26.51	66 135	2 494	2.04	2.04	42.85	0.14
Dec. 31, 2013	26.47	6 963	263	2.05	2.05	21.21	0.16
Series T5							
June 30, 2018	26.14	13 833	529	2.04	2.04	1.24	0.06
Dec. 31, 2017	26.33	14 262	542	2.05	2.05	2.35	0.08
Dec. 31, 2016	25.02	13 850	554	2.06	2.06	6.80	0.12
Dec. 31, 2015	25.10	14 176	565	2.07	2.07	18.97	0.12
Dec. 31, 2014	25.23	7 634	303	2.08	2.08	42.85	0.14
Dec. 31, 2013	24.98	3 893	156	2.04	2.04	21.21	0.16
Series F							
June 30, 2018	30.24	1 091 409	36 093	1.02	1.02	1.24	0.06
Dec. 31, 2017	29.55	622 441	21 063	1.03	1.03	2.35	0.08
Dec. 31, 2016	27.08	158 037	5 837	1.04 ⁴	1.04	6.80	0.12
Dec. 31, 2015	26.10	16 976	650	1.00	1.00	18.97	0.12
Dec. 31, 2014	25.95	11 555	445	1.00	1.00	42.85	0.14
Dec. 31, 2013	25.77	1 669	65	1.00	1.00	21.21	0.16



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	28.67	10 864	379	1.03	1.03	1.24	0.06
Dec. 31, 2017	28.73	5 803	202	1.02	1.02	2.35	0.08
Dec. 31, 2016 ⁵	27.02	530	20	1.02	1.02	6.80	0.12
Series O							
June 30, 2018	31.46	113 078	3 594	0.07	0.07	1.24	0.06
Dec. 31, 2017	30.60	98 043	3 204	0.07	0.07	2.35	0.08
Dec. 31, 2016	28.05	76 169	2 716	0.07	0.07	6.80	0.12
Dec. 31, 2015	27.05	64 969	2 402	0.07	0.07	18.97	0.12
Dec. 31, 2014	26.92	43 467	1 615	0.07	0.07	42.85	0.14
Dec. 31, 2013	26.77	32 602	1 218	0.05	0.05	21.21	0.16

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 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 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 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 F – 1.04%.

⁵ From July 4, 2016.

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 management fee payable in respect of each of Series A, Advisor Series and Series T5 units of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A, Advisor Series and Series T5 units is 1.95%.

The management fee payable to RBC GAM in respect of Series F and Series FT5 units of the Fund is a fixed fee and the MER of each of these series comprises the management fee, administration fee, taxes, other fund costs and any fees and expenses of the underlying funds.

The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

	Management Fees*	Breakdown of Services	
		Distribution	Other [†]
Series A	1.76%	56%	44%
Advisor Series	1.76%	56%	44%
Series T5	1.76%	56%	44%
Series F	0.85%	—	100%
Series FT5	0.85%	—	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.

* Management fees for Series A, Advisor Series and Series T5 units represent the actual average management fee rate for the period ended June 30, 2018.

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

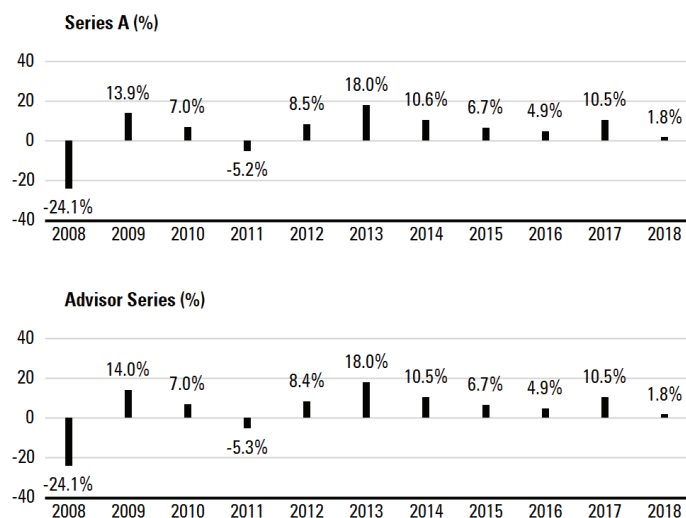


PAST PERFORMANCE

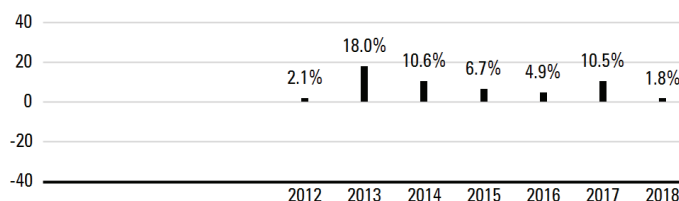
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

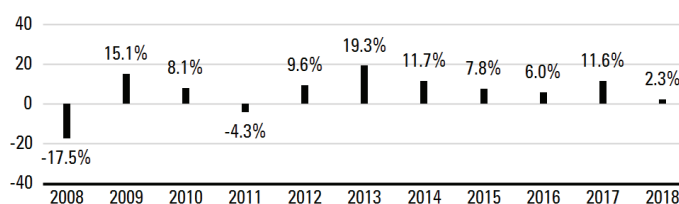
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series T5 (%)



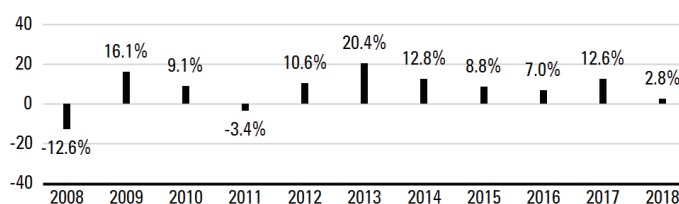
Series F (%)



Series FT5 (%)



Series O (%)



Series FT5 units have been available for sale to unitholders since July 4, 2016, Series T5 units since September 24, 2012, Series O units since September 22, 2008, and Series F units since January 21, 2008.

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
International Equity Funds	27.2
Income Funds	25.2
Canadian Equity Funds	24.5
United States Equity Funds	22.3
Cash/Other	0.8

Top 25 Holdings

	% of Net Asset Value
RBC Bond Fund	9.9
RBC European Equity Fund	8.3
RBC Global Corporate Bond Fund	7.2
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	6.9
RBC Private Canadian Equity Pool	6.6
RBC QUBE U.S. Equity Fund	5.3
Phillips, Hager & North Canadian Equity Underlying Fund	4.7
RBC Canadian Dividend Fund	4.5
Phillips, Hager & North Canadian Growth Fund	4.4
RBC Global Equity Focus Fund	4.3
RBC Global Dividend Growth Fund	4.3
RBC Emerging Markets Equity Fund	4.2
RBC Global Bond Fund	3.6
RBC QUBE Canadian Equity Fund	3.3
RBC Private U.S. Large-Cap Core Equity Pool	3.2
RBC U.S. Dividend Fund	3.2
RBC Asia Pacific ex-Japan Equity Fund	2.5
BlueBay Global Monthly Income Bond Fund	1.8
RBC U.S. Equity Fund	1.6
RBC Japanese Equity Fund	1.6
BlueBay Global Sovereign Bond Fund (Canada)	1.4
RBC U.S. Mid-Cap Growth Equity Fund	1.1
RBC Emerging Markets Dividend Fund	1.0
Phillips, Hager & North Canadian Equity Underlying Fund II	1.0
RBC Emerging Markets Small-Cap Equity Fund	1.0
Top 25 Holdings	96.9

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.



PORTFOLIO SOLUTION

**RBC SELECT AGGRESSIVE
GROWTH PORTFOLIO**

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 is a strategic asset-allocation fund that focuses on providing long-term capital growth. The Fund maintains a balance of investments in other funds managed by RBC GAM or an affiliate.

The Fund's target weightings for each asset class are 33% for Canadian equities, 35% for U.S. equities, 23% for international equities and 9% for emerging markets equities. The actual allocation to each asset class will not be more than 10% above or below its target weighting.

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 2.6%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund and the RBC QUBE U.S. Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher. Corporate earnings continue to rise steadily, which the portfolio manager believes bodes well for stocks.

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.

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	Total		
Series A													
June 30, 2018	12.45	0.04	(0.13)	0.03	0.38	0.32	—	—	—	—	—	12.77	
Dec. 31, 2017	11.11	0.26	(0.25)	0.42	1.02	1.45	—	(0.01)	(0.10)	—	(0.11)	12.45	
Dec. 31, 2016	10.56	0.25	(0.22)	0.21	0.43	0.67	—	(0.03)	(0.03)	—	(0.06)	11.11	
Dec. 31, 2015	10.43	0.25	(0.23)	0.88	(0.12)	0.78	—	(0.03)	(0.68)	—	(0.71)	10.56	
Dec. 31, 2014	10.41	0.21	(0.23)	1.54	(0.34)	1.18	—	—	(1.17)	—	(1.17)	10.43	
Dec. 31, 2013	8.38	0.21	(0.20)	0.10	1.95	2.06	—	(0.02)	—	—	(0.02)	10.41	
Advisor Series													
June 30, 2018	12.33	0.04	(0.13)	0.03	0.38	0.32	—	—	—	—	—	12.65	
Dec. 31, 2017	11.01	0.26	(0.25)	0.42	1.00	1.43	—	(0.01)	(0.10)	—	(0.11)	12.33	
Dec. 31, 2016	10.47	0.25	(0.22)	0.21	0.33	0.57	—	(0.03)	(0.03)	—	(0.06)	11.01	
Dec. 31, 2015	10.34	0.25	(0.23)	0.87	(0.12)	0.77	—	(0.04)	(0.68)	—	(0.72)	10.47	
Dec. 31, 2014	10.35	0.20	(0.24)	1.46	(0.32)	1.10	—	—	(1.17)	—	(1.17)	10.34	
Dec. 31, 2013	8.34	0.21	(0.20)	0.10	1.94	2.05	—	(0.02)	—	—	(0.02)	10.35	
Series T5													
June 30, 2018	10.97	0.03	(0.11)	0.03	0.31	0.26	—	(0.06)	—	(0.22)	(0.28)	10.97	
Dec. 31, 2017	10.18	0.24	(0.22)	0.38	0.82	1.22	—	(0.01)	(0.10)	(0.40)	(0.51)	10.97	
Dec. 31, 2016	10.13	0.24	(0.21)	0.19	0.41	0.63	—	(0.02)	(0.02)	(0.46)	(0.50)	10.18	
Dec. 31, 2015	10.06	0.24	(0.22)	0.82	(0.11)	0.73	—	(0.03)	(0.71)	—	(0.74)	10.13	
Dec. 31, 2014	9.89	0.20	(0.21)	1.44	(0.31)	1.12	—	—	(0.94)	—	(0.94)	10.06	
Dec. 31, 2013	8.31	0.20	(0.19)	0.09	1.81	1.91	—	(0.02)	—	(0.39)	(0.41)	9.89	
Series F													
June 30, 2018	13.27	0.04	(0.07)	0.04	0.43	0.44	—	—	—	—	—	13.69	
Dec. 31, 2017	11.85	0.28	(0.13)	0.45	1.10	1.70	—	(0.16)	(0.11)	—	(0.27)	13.27	
Dec. 31, 2016	11.27	0.27	(0.12)	0.22	0.69	1.06	(0.02)	(0.14)	(0.03)	—	(0.19)	11.85	
Dec. 31, 2015	11.13	0.27	(0.13)	0.94	(0.13)	0.95	(0.02)	(0.14)	(0.74)	—	(0.90)	11.27	
Dec. 31, 2014	11.00	0.21	(0.13)	1.58	(0.34)	1.32	—	—	(1.25)	—	(1.25)	11.13	
Dec. 31, 2013	8.78	0.22	(0.11)	0.11	2.03	2.25	—	(0.04)	—	—	(0.04)	11.00	
Series FT5													
June 30, 2018	12.81	0.04	(0.06)	0.03	0.53	0.54	—	(0.17)	—	(0.15)	(0.32)	12.89	
Dec. 31, 2017	11.76	0.27	(0.12)	0.43	1.24	1.82	—	(0.15)	(0.17)	(0.27)	(0.59)	12.81	
Dec. 31, 2016 ³	11.13 [†]	0.13	(0.06)	0.11	0.33	0.51	(0.01)	(0.05)	(0.05)	(0.17)	(0.28)	11.76	



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	Total	
		Series 0										
June 30, 2018	13.77	0.04	—	0.04	0.37	0.45	—	—	—	—	—	14.27
Dec. 31, 2017	12.29	0.29	—	0.47	1.11	1.87	—	(0.31)	(0.11)	—	(0.42)	13.77
Dec. 31, 2016	11.70	0.28	—	0.23	0.50	1.01	(0.04)	(0.26)	(0.04)	—	(0.34)	12.29
Dec. 31, 2015	11.56	0.28	—	0.98	(0.13)	1.13	(0.03)	(0.27)	(0.77)	—	(1.07)	11.70
Dec. 31, 2014	11.30	0.23	—	1.69	(0.37)	1.55	—	—	(1.30)	—	(1.30)	11.56
Dec. 31, 2013	9.07	0.23	—	0.11	2.13	2.47	—	(0.22)	—	—	(0.22)	11.30

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 July 4, 2016.

[†] 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	12.77	1 836 062	143 752	2.14	2.14	1.76	0.09
Dec. 31, 2017	12.45	1 708 200	137 231	2.14	2.14	1.68	0.11
Dec. 31, 2016	11.11	1 412 173	127 087	2.14	2.14	4.70	0.15
Dec. 31, 2015	10.56	1 215 268	115 071	2.13	2.13	14.81	0.14
Dec. 31, 2014	10.43	952 321	91 349	2.13	2.13	46.08	0.18
Dec. 31, 2013	10.41	732 435	70 389	2.14	2.14	15.54	0.20
Advisor Series							
June 30, 2018	12.65	26 017	2 057	2.18	2.18	1.76	0.09
Dec. 31, 2017	12.33	26 411	2 142	2.18	2.18	1.68	0.11
Dec. 31, 2016	11.01	26 892	2 442	2.18	2.18	4.70	0.15
Dec. 31, 2015	10.47	28 628	2 734	2.17	2.17	14.81	0.14
Dec. 31, 2014	10.34	29 362	2 838	2.17	2.17	46.08	0.18
Dec. 31, 2013	10.35	1 100	106	2.16	2.16	15.54	0.20
Series T5							
June 30, 2018	10.97	4 258	388	2.15	2.15	1.76	0.09
Dec. 31, 2017	10.97	3 879	354	2.16	2.16	1.68	0.11
Dec. 31, 2016	10.18	3 527	346	2.17	2.17	4.70	0.15
Dec. 31, 2015	10.13	2 814	278	2.14	2.14	14.81	0.14
Dec. 31, 2014	10.06	1 679	167	2.12	2.12	46.08	0.18
Dec. 31, 2013	9.89	1 379	139	2.07	2.07	15.54	0.20
Series F							
June 30, 2018	13.69	199 697	14 586	1.07	1.07	1.76	0.09
Dec. 31, 2017	13.27	115 144	8 675	1.09	1.09	1.68	0.11
Dec. 31, 2016	11.85	32 124	2 710	1.11 ⁴	1.11	4.70	0.15
Dec. 31, 2015	11.27	6 026	535	1.11	1.11	14.81	0.14
Dec. 31, 2014	11.13	5 460	491	1.11	1.11	46.08	0.18
Dec. 31, 2013	11.00	1 741	158	1.13	1.13	15.54	0.20



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	12.89	1 140	88	1.05	1.05	1.76	0.09
Dec. 31, 2017	12.81	1 375	107	1.06	1.06	1.68	0.11
Dec. 31, 2016 ⁵	11.76	53	5	1.06	1.06	4.70	0.15
Series O							
June 30, 2018	14.27	39 931	2 798	0.07	0.07	1.76	0.09
Dec. 31, 2017	13.77	33 174	2 410	0.08	0.08	1.68	0.11
Dec. 31, 2016	12.29	22 872	1 861	0.08	0.08	4.70	0.15
Dec. 31, 2015	11.70	18 500	1 582	0.08	0.08	14.81	0.14
Dec. 31, 2014	11.56	11 247	973	0.07	0.07	46.08	0.18
Dec. 31, 2013	11.30	9 005	797	0.05	0.05	15.54	0.20

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 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 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 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 F – 1.11%.

⁵ From July 4, 2016.

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 management fee payable in respect of each of Series A, Advisor Series and Series T5 units of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A, Advisor Series and Series T5 units is 2.05%.

The management fee payable to RBC GAM in respect of Series F and Series FT5 units of the Fund is a fixed fee and the MER of each of these series comprises the management fee, administration fee, taxes, other fund costs and any fees and expenses of the underlying funds.

The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

	Management Fees*	Breakdown of Services	
		Distribution	Other [†]
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series T5	1.85%	54%	46%
Series F	0.90%	—	100%
Series FT5	0.90%	—	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.

* Management fees for Series A, Advisor Series and Series T5 units represent the actual average management fee rate for the period ended June 30, 2018.

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

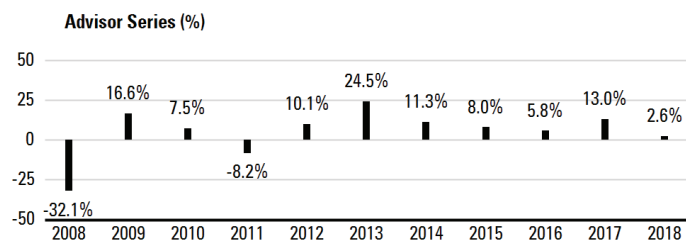
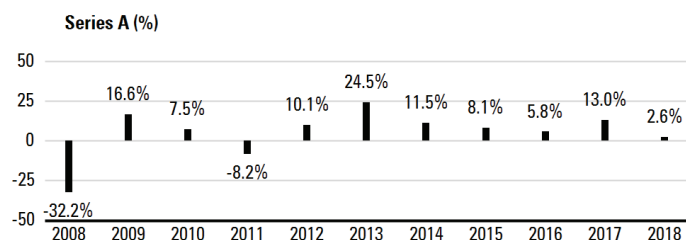


PAST PERFORMANCE

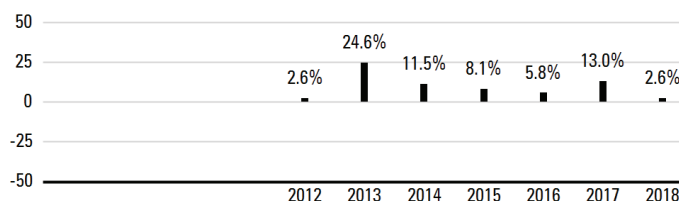
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

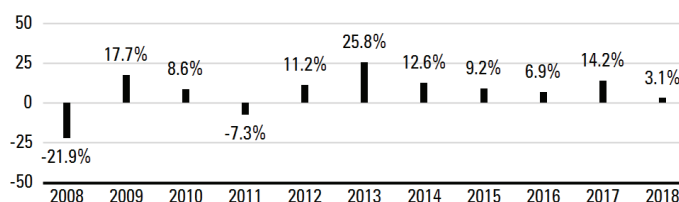
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series T5 (%)



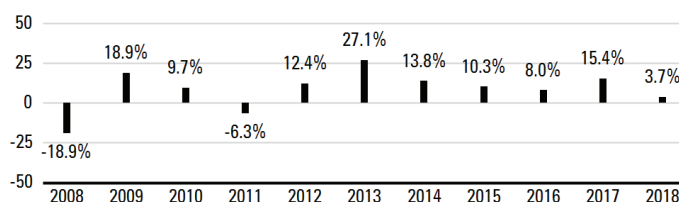
Series F (%)



Series FT5 (%)



Series O (%)



Series FT5 units have been available for sale to unitholders since July 4, 2016, Series T5 units since September 24, 2012, Series O units since September 22, 2008, and Series F units since January 21, 2008.

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
International Equity Funds	34.8
Canadian Equity Funds	33.8
United States Equity Funds	30.9
Cash/Other	0.5

Top 25 Holdings*

	% of Net Asset Value
RBC European Equity Fund	11.6
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	9.7
RBC Private Canadian Equity Pool	8.4
RBC QUBE U.S. Equity Fund	8.1
RBC QUBE Canadian Equity Fund	6.2
RBC Emerging Markets Equity Fund	6.2
Phillips, Hager & North Canadian Growth Fund	6.2
RBC Canadian Dividend Fund	5.2
RBC Global Dividend Growth Fund	4.6
Phillips, Hager & North Canadian Equity Underlying Fund	4.6
RBC Global Equity Focus Fund	4.5
RBC Private U.S. Large-Cap Core Equity Pool	4.0
RBC U.S. Dividend Fund	4.0
Phillips, Hager & North Canadian Equity Underlying Fund II	3.0
RBC Asia Pacific ex-Japan Equity Fund	2.8
RBC U.S. Equity Fund	2.0
RBC Japanese Equity Fund	2.0
RBC Emerging Markets Small-Cap Equity Fund	1.6
RBC Emerging Markets Dividend Fund	1.5
RBC U.S. Mid-Cap Growth Equity Fund	1.5
RBC U.S. Mid-Cap Value Equity Fund	1.5
Cash & Cash Equivalents	0.8
The S&P/TSX 60 Index Future, September 2018	0.1
The S&P 500 Mini Index Future, September 2018	(0.1)
Total	100.0

* The Fund holds fewer than 25 holdings.

The Fund may use futures contracts as an asset substitution or as a way to reduce interest-rate risk.

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.



PORTFOLIO SOLUTION

**RBC SELECT CHOICES
CONSERVATIVE PORTFOLIO**

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 is a strategic asset allocation fund, which focuses on providing income and the potential for moderate capital growth. The Fund maintains a balance of investments across several asset classes by investing in mutual funds managed by RBC GAM or an affiliate, as well as mutual funds of other companies.

The Fund's target weightings for each asset class are 65% for fixed income, 15% for Canadian equities, 10% for U.S. equities and 10% for international equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the equities asset classes.

Results of Operations

The Fund's net asset value was \$147 million as of June 30, 2018.

Over the past six months, the Fund's Series A units were unchanged. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the RBC Global High Yield Bond Fund and the RBC Global Corporate Bond Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund and the Renaissance International Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight fixed income but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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.

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	Total	
Series A												
June 30, 2018	12.84	0.14	(0.12)	0.21	(0.23)	—	—	—	—	—	—	12.84
Dec. 31, 2017	12.62	0.30	(0.25)	0.57	(0.02)	0.60	—	(0.04)	(0.34)	—	(0.38)	12.84
Dec. 31, 2016	12.37	0.31	(0.24)	0.38	0.04	0.49	(0.02)	(0.06)	(0.16)	—	(0.24)	12.62
Dec. 31, 2015	12.43	0.32	(0.25)	0.47	(0.23)	0.31	—	(0.08)	(0.29)	—	(0.37)	12.37
Dec. 31, 2014	12.00	0.44	(0.24)	0.50	0.24	0.94	(0.01)	(0.18)	(0.31)	—	(0.50)	12.43
Dec. 31, 2013	11.28	0.33	(0.23)	0.42	0.39	0.91	(0.06)	(0.05)	(0.09)	—	(0.20)	12.00
Advisor Series												
June 30, 2018	12.89	0.14	(0.12)	0.21	(0.21)	0.02	—	—	—	—	—	12.89
Dec. 31, 2017	12.67	0.30	(0.25)	0.57	(0.05)	0.57	—	(0.04)	(0.34)	—	(0.38)	12.89
Dec. 31, 2016	12.41	0.31	(0.25)	0.38	0.04	0.48	(0.02)	(0.06)	(0.16)	—	(0.24)	12.67
Dec. 31, 2015	12.49	0.33	(0.25)	0.47	(0.23)	0.32	—	(0.08)	(0.29)	—	(0.37)	12.41
Dec. 31, 2014	12.04	0.44	(0.25)	0.50	0.24	0.93	(0.01)	(0.17)	(0.31)	—	(0.49)	12.49
Dec. 31, 2013	11.29	0.33	(0.23)	0.42	0.39	0.91	(0.04)	(0.04)	(0.09)	—	(0.17)	12.04
Series F												
June 30, 2018	10.24	0.11	(0.06)	0.16	(0.15)	0.06	—	—	—	—	—	10.28
Dec. 31, 2017	10.01	0.24	(0.12)	0.46	(0.01)	0.57	—	(0.05)	(0.28)	—	(0.33)	10.24
Dec. 31, 2016 ³	10.00 [†]	0.13	(0.06)	0.16	(0.12)	0.11	(0.02)	(0.06)	(0.16)	—	(0.24)	10.01

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 July 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	12.84	136 050	10 594	1.95	1.95	22.60	0.06
Dec. 31, 2017	12.84	147 230	11 469	1.95	1.95	1.82	0.01
Dec. 31, 2016	12.62	163 458	12 950	1.96	1.96	7.57	0.02
Dec. 31, 2015	12.37	181 118	14 647	1.95	1.95	12.64	0.02
Dec. 31, 2014	12.43	195 046	15 686	1.95	1.95	17.76	0.03
Dec. 31, 2013	12.00	183 827	15 322	1.96	1.96	24.03	0.03
Advisor Series							
June 30, 2018	12.89	1 839	143	1.95	1.95	22.60	0.06
Dec. 31, 2017	12.89	1 636	127	1.96	1.96	1.82	0.01
Dec. 31, 2016	12.67	1 745	138	1.98	1.98	7.57	0.02
Dec. 31, 2015	12.41	1 822	147	1.98	1.98	12.64	0.02
Dec. 31, 2014	12.49	1 570	126	1.98	1.98	17.76	0.03
Dec. 31, 2013	12.04	1 312	109	1.99	1.99	24.03	0.03
Series F							
June 30, 2018	10.28	9 325	907	1.14	1.14	22.60	0.06
Dec. 31, 2017	10.24	8 749	855	1.16	1.16	1.82	0.01
Dec. 31, 2016 ⁴	10.01	3 448	345	1.14	1.14	7.57	0.02

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 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 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 From July 4, 2016.

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 management fee payable in respect of each of Series A and Advisor Series units of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A and Advisor Series units is 1.85%.

The management fee payable to RBC GAM in respect of Series F units of the Fund is a fixed fee and the MER of Series F units comprises the management fee, administration fee, taxes, other fund costs and any fees and expenses of the underlying funds.

The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

	Management Fees*	Breakdown of Services	
		Distribution	Other [†]
Series A	1.69%	44%	56%
Advisor Series	1.69%	44%	56%
Series F	0.95%	—	100%

* Management fees for Series A and Advisor Series units represent the actual average management fee rate for the period ended June 30, 2018.

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

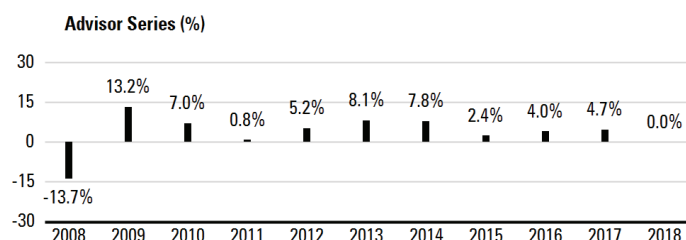
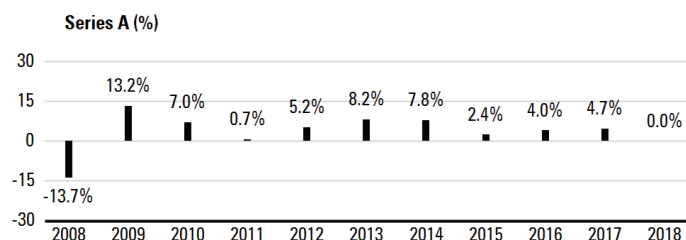


PAST PERFORMANCE

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 F units have been available for sale to unitholders since July 4, 2016.

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
Income Funds	59.5
Canadian Equity Funds	17.2
United States Equity Funds	10.8
International Equity Funds	10.6
Cash/Other	1.9

Top 25 Holdings*

	% of Net Asset Value
TD Canadian Bond Fund	13.9
RBC Bond Fund	9.7
Phillips, Hager & North Total Return Bond Fund	9.5
RBC Global Corporate Bond Fund	6.7
Phillips, Hager & North Short Term Bond & Mortgage Fund	5.8
Franklin Bissett Canadian Equity Fund	5.5
RBC Canadian Dividend Fund	5.5
RBC Canadian Equity Fund	5.5
Renaissance International Equity Fund	5.3
RBC Global Bond Fund	3.9
Invesco International Growth Fund	3.9
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	3.7
CI American Value Fund	3.6
RBC O'Shaughnessy U.S. Value Fund	3.5
BlueBay Global Sovereign Bond Fund (Canada)	3.0
RBC Global High Yield Bond Fund	2.9
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	2.7
Cash & Cash Equivalents	2.1
Invesco International Growth Class	1.4
BlueBay European High Yield Bond Fund	1.3
RBC Canadian Money Market Fund	0.6
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



PORTFOLIO SOLUTION

**RBC SELECT CHOICES
BALANCED PORTFOLIO**

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.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is a strategic asset allocation fund, which focuses on providing long-term capital growth and modest income. The Fund maintains a balance of investments across several asset classes by investing in mutual funds managed by RBC GAM or an affiliate, as well as in mutual funds of other companies.

The Fund's target weightings for each asset class are 45% for fixed income, 19% for Canadian equities, 20% for U.S. equities, 12% for international equities and 4% for emerging markets equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting for the fixed income asset class, and no more than 10% above or below the target weighting for the equities asset classes.

Results of Operations

The Fund's net asset value was \$310 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.4%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the RBC Global Corporate Bond Fund and the BlueBay Global Monthly Income Bond Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the CI American Value Class and the TD U.S. Mid-Cap Growth Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight fixed income but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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.

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	Total	
Series A												
June 30, 2018	14.47	0.13	(0.15)	0.33	(0.26)	0.05	—	—	—	—	—	14.53
Dec. 31, 2017	13.79	0.31	(0.30)	0.77	0.30	1.08	—	—	(0.40)	—	(0.40)	14.47
Dec. 31, 2016	13.11	0.30	(0.28)	0.49	0.23	0.74	(0.02)	(0.01)	(0.06)	—	(0.09)	13.79
Dec. 31, 2015	13.12	0.32	(0.29)	0.63	(0.24)	0.42	—	(0.05)	(0.36)	—	(0.41)	13.11
Dec. 31, 2014	12.18	0.44	(0.27)	0.65	0.29	1.11	(0.01)	(0.16)	(0.03)	—	(0.20)	13.12
Dec. 31, 2013	10.73	0.30	(0.25)	0.52	0.96	1.53	(0.01)	(0.05)	—	—	(0.06)	12.18
Advisor Series												
June 30, 2018	14.46	0.13	(0.15)	0.33	(0.25)	0.06	—	—	—	—	—	14.52
Dec. 31, 2017	13.78	0.31	(0.30)	0.77	0.29	1.07	—	—	(0.40)	—	(0.40)	14.46
Dec. 31, 2016	13.10	0.30	(0.28)	0.49	0.26	0.77	(0.02)	(0.01)	(0.06)	—	(0.09)	13.78
Dec. 31, 2015	13.10	0.32	(0.29)	0.62	(0.24)	0.41	—	(0.05)	(0.36)	—	(0.41)	13.10
Dec. 31, 2014	12.17	0.44	(0.27)	0.65	0.29	1.11	(0.01)	(0.16)	(0.03)	—	(0.20)	13.10
Dec. 31, 2013	10.72	0.30	(0.25)	0.52	0.96	1.53	(0.01)	(0.05)	—	—	(0.06)	12.17
Series F												
June 30, 2018	11.04	0.10	(0.06)	0.25	(0.17)	0.12	—	—	—	—	—	11.14
Dec. 31, 2017	10.42	0.24	(0.12)	0.59	0.21	0.92	—	—	(0.30)	—	(0.30)	11.04
Dec. 31, 2016 ³	10.00 [†]	0.12	(0.06)	0.19	0.06	0.31	(0.02)	(0.02)	(0.06)	—	(0.10)	10.42

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 July 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	14.53	281 559	19 377	2.16	2.16	23.08	0.09
Dec. 31, 2017	14.47	302 756	20 919	2.16	2.16	2.93	0.02
Dec. 31, 2016	13.79	311 622	22 597	2.16	2.16	7.06	0.04
Dec. 31, 2015	13.11	334 288	25 490	2.16	2.16	12.48	0.04
Dec. 31, 2014	13.12	349 921	26 666	2.16	2.16	18.88	0.04
Dec. 31, 2013	12.18	318 451	26 113	2.16	2.16	26.02	0.05
Advisor Series							
June 30, 2018	14.52	1 983	137	2.13	2.13	23.08	0.09
Dec. 31, 2017	14.46	1 816	126	2.12	2.12	2.93	0.02
Dec. 31, 2016	13.78	1 923	140	2.14	2.14	7.06	0.04
Dec. 31, 2015	13.10	2 189	167	2.14	2.14	12.48	0.04
Dec. 31, 2014	13.10	2 395	183	2.18	2.18	18.88	0.04
Dec. 31, 2013	12.17	2 071	170	2.20	2.20	26.02	0.05
Series F							
June 30, 2018	11.14	26 650	2 392	1.17	1.17	23.08	0.09
Dec. 31, 2017	11.04	17 640	1 597	1.17	1.17	2.93	0.02
Dec. 31, 2016 ⁴	10.42	4 939	474	1.18	1.18	7.06	0.04

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 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 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 From July 4, 2016.

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 management fee payable in respect of each of Series A and Advisor Series units of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A and Advisor Series units is 2.05%.

The management fee payable to RBC GAM in respect of Series F units of the Fund is a fixed fee and the MER of Series F units comprises the management fee, administration fee, taxes, other fund costs and any fees and expenses of the underlying funds.

The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

	Management Fees*	Breakdown of Services	
		Distribution	Other [†]
Series A	1.87%	53%	47%
Advisor Series	1.87%	53%	47%
Series F	1.00%	—	100%

* Management fees for Series A and Advisor Series units represent the actual average management fee rate for the period ended June 30, 2018.

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

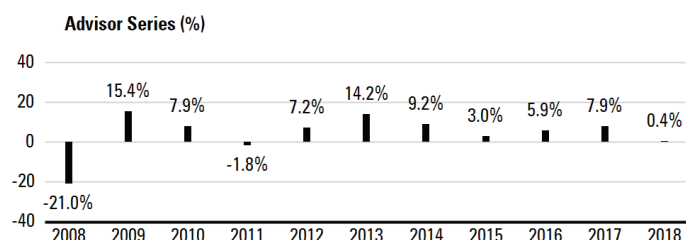
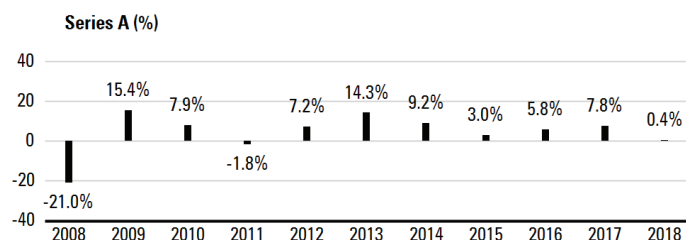


PAST PERFORMANCE

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 F units have been available for sale to unitholders since July 4, 2016.

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
Income Funds	40.3
Canadian Equity Funds	21.1
United States Equity Funds	20.9
International Equity Funds	16.4
Cash/Other	1.3

Top 25 Holdings

	% of Net Asset Value
RBC Global Corporate Bond Fund	9.5
RBC Bond Fund	7.8
Phillips, Hager & North Total Return Bond Fund	7.6
CI American Value Fund	7.0
RBC O'Shaughnessy U.S. Value Fund	6.9
RBC Canadian Equity Fund	6.7
Renaissance International Equity Fund	6.1
RBC Canadian Dividend Fund	5.7
Franklin Bissett Canadian Equity Fund	4.9
Phillips, Hager & North Short Term Bond & Mortgage Fund	3.6
TD U.S. Mid-Cap Growth Fund	3.5
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	3.5
Invesco International Growth Fund	3.4
IA Clarington Canadian Small Cap Fund	3.2
RBC Emerging Markets Equity Fund	3.2
Invesco International Growth Class	2.7
RBC Global Bond Fund	2.5
Phillips, Hager & North High Yield Bond Fund	2.4
BlueBay Global Monthly Income Bond Fund	2.4
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	1.9
BlueBay Global Sovereign Bond Fund (Canada)	1.5
Cash & Cash Equivalents	1.4
RBC Canadian Money Market Fund	0.6
RBC Global High Yield Bond Fund	0.6
RBC Emerging Markets Dividend Fund	0.5
Top 25 Holdings	99.1

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.



PORTFOLIO SOLUTION

**RBC SELECT CHOICES
GROWTH PORTFOLIO**

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 is a strategic asset allocation fund, which focuses on providing long-term capital growth. The Fund maintains a balance of investments across several asset classes by investing in mutual funds managed by RBC GAM or an affiliate, as well as in mutual funds of other companies.

The Fund's target weightings for each asset class are 30% for fixed income, 23% for Canadian equities, 25% for U.S. equities, 16% for international equities and 6% for emerging markets equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting for the fixed income asset class, and no more than 10% above or below the target weighting for the equities asset classes.

Results of Operations

The Fund's net asset value was \$274 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 1.1%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund and the TD US Mid-Cap Growth Fund.

Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains,

as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were held back by the BlueBay Global Monthly Income Bond Fund and the RBC Global Corporate Bond Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. As a result, the Fund remains underweight fixed income but less so than at previous points in the cycle. The portfolio manager believes that stocks offer more attractive prospects. The portfolio manager has been moderating risk-taking, but the potential upside in earnings still justifies a mild overweight position in stocks.

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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.



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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.

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:

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- (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	Total	
Series A												
June 30, 2018	15.60	0.08	(0.18)	0.38	(0.11)	0.17	—	—	—	—	—	15.77
Dec. 31, 2017	14.47	0.31	(0.35)	0.84	0.67	1.47	—	—	(0.34)	—	(0.34)	15.60
Dec. 31, 2016	13.70	0.28	(0.32)	0.49	0.30	0.75	—	—	—	—	—	14.47
Dec. 31, 2015	13.20	0.28	(0.32)	0.77	—	0.73	—	—	(0.23)	—	(0.23)	13.70
Dec. 31, 2014	11.97	0.42	(0.30)	0.79	0.36	1.27	(0.02)	(0.05)	—	—	(0.07)	13.20
Dec. 31, 2013	10.21	0.24	(0.26)	0.40	1.40	1.78	—	—	—	—	—	11.97
Advisor Series												
June 30, 2018	15.58	0.08	(0.18)	0.38	(0.14)	0.14	—	—	—	—	—	15.75
Dec. 31, 2017	14.45	0.31	(0.35)	0.84	0.68	1.48	—	—	(0.34)	—	(0.34)	15.58
Dec. 31, 2016	13.68	0.28	(0.32)	0.49	0.29	0.74	—	—	—	—	—	14.45
Dec. 31, 2015	13.18	0.28	(0.32)	0.77	—	0.73	—	—	(0.23)	—	(0.23)	13.68
Dec. 31, 2014	11.95	0.42	(0.30)	0.79	0.36	1.27	(0.02)	(0.04)	—	—	(0.06)	13.18
Dec. 31, 2013	10.19	0.24	(0.26)	0.39	1.40	1.77	—	—	—	—	—	11.95
Series F												
June 30, 2018	11.58	0.06	(0.07)	0.28	(0.07)	0.20	—	—	—	—	—	11.77
Dec. 31, 2017	10.63	0.23	(0.14)	0.62	0.48	1.19	—	—	(0.26)	—	(0.26)	11.58
Dec. 31, 2016 ³	10.00 [†]	0.10	(0.06)	0.18	0.19	0.41	—	—	—	—	—	10.63

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 July 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	15.77	247 838	15 714	2.36	2.36	18.96	0.10
Dec. 31, 2017	15.60	261 082	16 735	2.36	2.36	3.59	0.02
Dec. 31, 2016	14.47	254 121	17 562	2.36	2.36	6.96	0.06
Dec. 31, 2015	13.70	264 186	19 285	2.36	2.36	15.28	0.06
Dec. 31, 2014	13.20	258 576	19 585	2.36	2.36	19.10	0.08
Dec. 31, 2013	11.97	231 820	19 337	2.36	2.36	21.26	0.05
Advisor Series							
June 30, 2018	15.75	694	44	2.35	2.35	18.96	0.10
Dec. 31, 2017	15.58	675	43	2.34	2.34	3.59	0.02
Dec. 31, 2016	14.45	688	48	2.34	2.34	6.96	0.06
Dec. 31, 2015	13.68	705	52	2.34	2.34	15.28	0.06
Dec. 31, 2014	13.18	593	45	2.39	2.39	19.10	0.08
Dec. 31, 2013	11.95	378	32	2.38	2.38	21.26	0.05
Series F							
June 30, 2018	11.77	25 824	2 193	1.23	1.23	18.96	0.10
Dec. 31, 2017	11.58	15 973	1 379	1.25	1.25	3.59	0.02
Dec. 31, 2016 ⁴	10.63	3 979	374	1.25	1.25	6.96	0.06

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 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 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 From July 4, 2016.

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 management fee payable in respect of each of Series A and Advisor Series units of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A and Advisor Series units is 2.25%.

The management fee payable to RBC GAM in respect of Series F units of the Fund is a fixed fee and the MER of Series F units comprises the management fee, administration fee, taxes, other fund costs and any fees and expenses of the underlying funds.

The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

	Management Fees*	Breakdown of Services	
		Distribution	Other [†]
Series A	2.06%	48%	52%
Advisor Series	2.06%	48%	52%
Series F	1.05%	—	100%

* Management fees for Series A and Advisor Series units represent the actual average management fee rate for the period ended June 30, 2018.

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

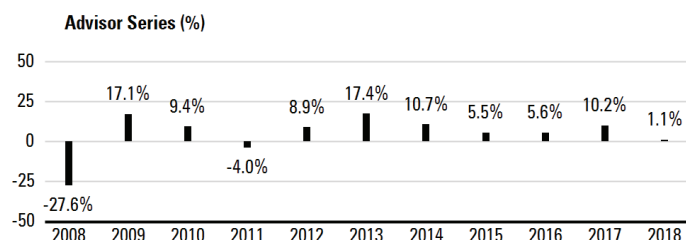
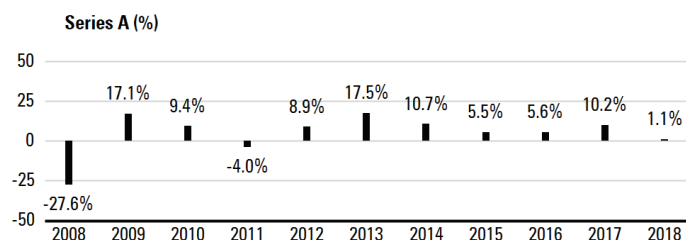


PAST PERFORMANCE

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 F units have been available for sale to unitholders since July 4, 2016.

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
United States Equity Funds	25.9
Canadian Equity Funds	25.1
Income Funds	25.0
International Equity Funds	22.6
Cash/Other	1.4

Top 25 Holdings

	% of Net Asset Value
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	9.3
RBC Canadian Equity Fund	9.0
RBC Bond Fund	9.0
Fidelity Canadian Disciplined Equity Fund	8.5
TD U.S. Mid-Cap Growth Fund	7.2
CI American Value Fund	4.7
RBC Global Corporate Bond Fund	4.6
RBC O'Shaughnessy U.S. Value Fund	4.6
RBC Emerging Markets Equity Fund	4.2
Invesco European Growth Class	4.1
Phillips, Hager & North Canadian Growth Fund	3.7
Invesco International Growth Class	3.7
IA Clarington Canadian Small Cap Fund	3.3
Renaissance International Equity Fund	3.1
TD Asian Growth Fund	3.0
RBC Global Bond Fund	2.8
Phillips, Hager & North High Yield Bond Fund	2.7
Invesco International Growth Fund	2.4
BlueBay Global Monthly Income Bond Fund	1.9
Cash & Cash Equivalents	1.6
BlueBay Global Sovereign Bond Fund (Canada)	1.4
RBC Emerging Markets Small-Cap Equity Fund	1.1
RBC Emerging Markets Dividend Fund	1.0
RBC Global High Yield Bond Fund	1.0
Phillips, Hager & North Total Return Bond Fund	0.9
Top 25 Holdings	98.8

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.



PORTFOLIO SOLUTION

**RBC SELECT CHOICES
AGGRESSIVE GROWTH PORTFOLIO**

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 is a strategic asset allocation fund, which focuses on providing long-term capital growth. The Fund maintains a balance of investments in mutual funds managed by RBC GAM or an affiliate, as well as in mutual funds of other companies.

The Fund's target weightings for each asset class are 33% for Canadian equities, 35% for U.S. equities, 23% for international equities and 9% for emerging markets equities. The actual allocation to each equities asset class will not be more than 10% above or below its target weighting.

Results of Operations

The Fund's net asset value was \$213 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 2.6%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the AGF American Growth Class and the TD US Mid-Cap Growth Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher. Corporate earnings continue to rise steadily, which the portfolio manager believes bodes well for stocks.

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.

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	Total	
Series A												
June 30, 2018	15.38	0.02	(0.20)	0.52	0.07	0.41	—	—	—	—	—	15.78
Dec. 31, 2017	13.56	0.19	(0.37)	0.87	1.14	1.83	—	—	—	—	—	15.38
Dec. 31, 2016	12.85	0.17	(0.32)	0.58	0.24	0.67	—	—	—	—	—	13.56
Dec. 31, 2015	11.97	0.16	(0.32)	0.72	0.32	0.88	—	—	—	—	—	12.85
Dec. 31, 2014	10.73	0.29	(0.29)	0.77	0.44	1.21	—	—	—	—	—	11.97
Dec. 31, 2013	8.59	0.14	(0.24)	0.24	2.03	2.17	—	—	—	—	—	10.73
Advisor Series												
June 30, 2018	15.53	0.02	(0.19)	0.52	0.02	0.37	—	—	—	—	—	15.94
Dec. 31, 2017	13.68	0.20	(0.36)	0.88	1.16	1.88	—	—	—	—	—	15.53
Dec. 31, 2016	12.96	0.17	(0.32)	0.59	0.29	0.73	—	—	—	—	—	13.68
Dec. 31, 2015	12.06	0.16	(0.31)	0.73	0.32	0.90	—	—	—	—	—	12.96
Dec. 31, 2014	10.80	0.29	(0.29)	0.78	0.45	1.23	—	—	—	—	—	12.06
Dec. 31, 2013	8.62	0.14	(0.24)	0.24	2.04	2.18	—	—	—	—	—	10.80
Series F												
June 30, 2018	12.44	0.02	(0.08)	0.42	0.05	0.41	—	—	—	—	—	12.85
Dec. 31, 2017	10.83	0.16	(0.15)	0.70	0.84	1.55	—	—	—	—	—	12.44
Dec. 31, 2016 ³	10.00 [†]	0.07	(0.07)	0.24	0.32	0.56	—	—	—	—	—	10.83

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 July 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	15.78	189 640	12 018	2.56	2.56	7.40	0.13
Dec. 31, 2017	15.38	197 544	12 847	2.56	2.56	4.67	0.03
Dec. 31, 2016	13.56	186 651	13 770	2.56	2.56	5.03	0.09
Dec. 31, 2015	12.85	196 269	15 271	2.56	2.56	11.42	0.10
Dec. 31, 2014	11.97	184 103	15 382	2.56	2.56	14.20	0.11
Dec. 31, 2013	10.73	165 262	15 369	2.57	2.57	15.25	0.11
Advisor Series							
June 30, 2018	15.94	1 537	96	2.49	2.49	7.40	0.13
Dec. 31, 2017	15.53	1 109	71	2.51	2.51	4.67	0.03
Dec. 31, 2016	13.68	1 040	76	2.49	2.49	5.03	0.09
Dec. 31, 2015	12.96	1 184	91	2.47	2.47	11.42	0.10
Dec. 31, 2014	12.06	1 034	86	2.52	2.52	14.20	0.11
Dec. 31, 2013	10.80	347	32	2.53	2.53	15.25	0.11
Series F							
June 30, 2018	12.85	21 751	1 693	1.26	1.26	7.40	0.13
Dec. 31, 2017	12.44	10 842	872	1.32	1.32	4.67	0.03
Dec. 31, 2016 ⁴	10.83	2 642	244	1.32	1.32	5.03	0.09

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 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 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 From July 4, 2016.

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 management fee payable in respect of each of Series A and Advisor Series units of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A and Advisor Series units is 2.45%.

The management fee payable to RBC GAM in respect of Series F units of the Fund is a fixed fee and the MER of Series F units comprises the management fee, administration fee, taxes, other fund costs and any fees and expenses of the underlying funds.

The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

	Management Fees*	Breakdown of Services	
		Distribution	Other [†]
Series A	2.25%	44%	56%
Advisor Series	2.25%	44%	56%
Series F	1.10%	—	100%

* Management fees for Series A and Advisor Series units represent the actual average management fee rate for the period ended June 30, 2018.

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

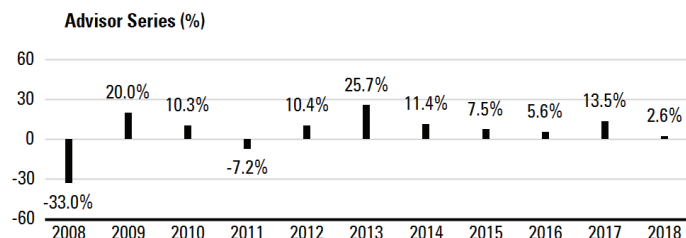
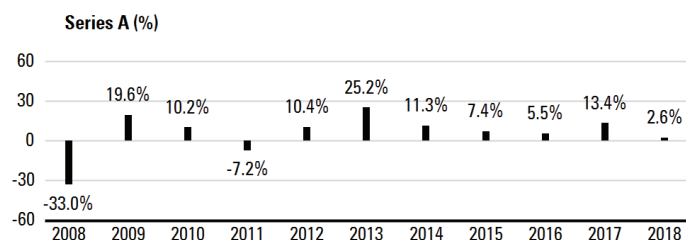


PAST PERFORMANCE

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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 F units have been available for sale to unitholders since July 4, 2016.

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
United States Equity Funds	35.3
Canadian Equity Funds	33.5
International Equity Funds	30.3
Cash/Other	0.9

Top 25 Holdings*

	% of Net Asset Value
RBC Canadian Equity Fund	8.6
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	8.2
AGF American Growth Class	8.0
Fidelity Canadian Disciplined Equity Fund	7.6
Synergy Canadian Corporate Class	7.6
TD U.S. Mid-Cap Growth Fund	7.2
RBC Emerging Markets Equity Fund	6.2
CI American Value Fund	6.1
RBC O'Shaughnessy U.S. Value Fund	5.8
Phillips, Hager & North Canadian Growth Fund	5.6
Invesco European Growth Class	5.5
Renaissance International Equity Fund	5.3
Invesco International Growth Class	4.8
IA Clarington Canadian Small Cap Fund	4.1
TD Asian Growth Fund	2.9
Invesco International Growth Fund	2.5
RBC Emerging Markets Small-Cap Equity Fund	1.5
RBC Emerging Markets Dividend Fund	1.5
Cash & Cash Equivalents	1.0
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



PORTFOLIO SOLUTION

RBC TARGET 2020 EDUCATION 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 is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for the purpose of funding their child's post-secondary education that commences around 2020. The Fund gradually shifts its asset mix from an emphasis on equity funds in its early years, to an emphasis on money market funds as its "target" year of 2020 approaches. The Fund invests its assets primarily in units of other funds managed by RBC GAM or an affiliate.

Over the life of the Fund, its portfolio will shift from a focus on funds with growth potential to a focus on funds that preserve capital.

Results of Operations

The Fund's net asset value was \$885 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.4%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were boosted by the RBC Canadian Short-Term Income Fund and the RBC Global Bond Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less

well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the RBC U.S. Mid-Cap Growth Equity Fund and the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher. Corporate earnings continue to rise steadily, which the portfolio manager believes bodes well for stocks.

Effective January 1, 2018, the specified percentages were reduced as follows: from 1.55% to 1.00% for Series A units; and from 0.90% to 0.80% for Series D units.

Effective January 1, 2018, the management fees were reduced as follows: from 0.70% to 0.65% for Series F units.

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.

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	Total	
Series A												
June 30, 2018	11.93	0.12	(0.06)	0.18	(0.19)	0.05	—	—	—	—	—	11.98
Dec. 31, 2017	12.06	0.27	(0.19)	0.34	(0.19)	0.23	(0.04)	(0.03)	(0.30)	—	(0.37)	11.93
Dec. 31, 2016	12.09	0.33	(0.20)	0.19	(0.04)	0.28	(0.08)	(0.05)	(0.18)	—	(0.31)	12.06
Dec. 31, 2015	12.17	0.37	(0.20)	0.27	(0.12)	0.32	(0.10)	(0.07)	(0.25)	—	(0.42)	12.09
Dec. 31, 2014	11.90	0.45	(0.22)	0.48	0.18	0.89	(0.05)	(0.16)	(0.41)	—	(0.62)	12.17
Dec. 31, 2013	11.49	0.37	(0.22)	0.37	0.38	0.90	(0.06)	(0.09)	(0.33)	—	(0.48)	11.90
Series D												
June 30, 2018	11.93	0.12	(0.05)	0.18	(0.19)	0.06	—	—	—	—	—	11.99
Dec. 31, 2017	12.07	0.27	(0.11)	0.34	(0.19)	0.31	(0.08)	(0.08)	(0.30)	—	(0.46)	11.93
Dec. 31, 2016	12.10	0.33	(0.11)	0.19	(0.06)	0.35	(0.14)	(0.08)	(0.18)	—	(0.40)	12.07
Dec. 31, 2015	12.18	0.37	(0.11)	0.27	(0.12)	0.41	(0.15)	(0.11)	(0.25)	—	(0.51)	12.10
Dec. 31, 2014	11.87	0.45	(0.13)	0.47	0.18	0.97	(0.06)	(0.21)	(0.41)	—	(0.68)	12.18
Dec. 31, 2013	11.37	0.36	(0.12)	0.36	0.37	0.97	(0.06)	(0.10)	(0.33)	—	(0.49)	11.87
Series F												
June 30, 2018	9.58	0.09	(0.04)	0.14	(0.13)	0.06	—	—	—	—	—	9.63
Dec. 31, 2017	9.69	0.22	(0.08)	0.27	(0.17)	0.24	(0.07)	(0.07)	(0.24)	—	(0.38)	9.58
Dec. 31, 2016 ³	10.00 [†]	0.13	(0.04)	0.08	(0.28)	(0.11)	(0.13)	(0.07)	(0.15)	—	(0.35)	9.69

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 July 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	11.98	868 767	72 514	1.05	1.05	25.74	0.01
Dec. 31, 2017	11.93	875 704	73 402	1.62	1.62	30.11	0.01
Dec. 31, 2016	12.06	854 453	70 847	1.62	1.62	8.44	0.02
Dec. 31, 2015	12.09	782 032	64 676	1.62	1.62	12.64	0.03
Dec. 31, 2014	12.17	678 561	55 760	1.83	1.83	9.67	0.04
Dec. 31, 2013	11.90	554 660	46 598	1.84	1.84	33.41	0.07
Series D							
June 30, 2018	11.99	4 748	396	0.83	0.83	25.74	0.01
Dec. 31, 2017	11.93	4 976	417	0.94	0.94	30.11	0.01
Dec. 31, 2016	12.07	4 369	362	0.94	0.94	8.44	0.02
Dec. 31, 2015	12.10	3 126	258	0.94	0.94	12.64	0.03
Dec. 31, 2014	12.18	2 251	185	1.06	1.06	9.67	0.04
Dec. 31, 2013	11.87	1 207	102	1.06	1.06	33.41	0.07
Series F							
June 30, 2018	9.63	11 786	1 224	0.79	0.79	25.74	0.01
Dec. 31, 2017	9.58	7 088	740	0.86	0.86	30.11	0.01
Dec. 31, 2016 ⁴	9.69	1 982	205	0.86	0.86	8.44	0.02

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 From July 4, 2016.

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 management fee payable in respect of each of Series A and Series D units of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A units is 1.00% and Series D units is 0.80%.

The management fee payable to RBC GAM in respect of Series F units of the Fund is a fixed fee and the MER of Series F units comprises the management fee, administration fee, taxes, other fund costs and any fees and expenses of the underlying funds.

The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

	Management Fees*	Breakdown of Services	
		Distribution	Other [†]
Series A	1.40%	53%	47%
Series D	0.78%	28%	72%
Series F	0.65%	—	100%

* Management fees for Series A and Series D units represent the actual average management fee rate for the period ended June 30, 2018.

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

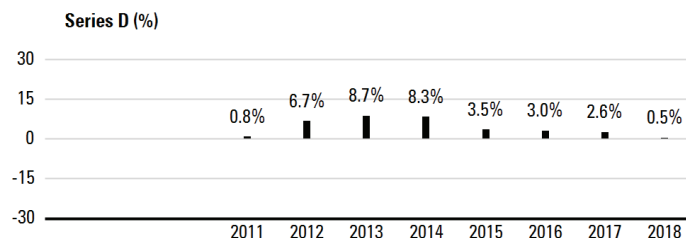
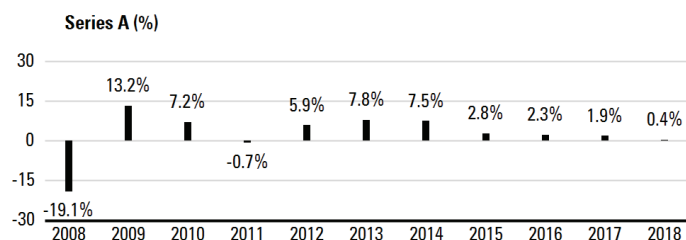


PAST PERFORMANCE

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 F units have been available for sale to unitholders since July 4, 2016, and Series D units since November 1, 2011.

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
Income Funds	55.4
Canadian Equity Funds	39.4
United States Equity Funds	2.9
International Equity Funds	2.1
Cash/Other	0.2

Top 25 Holdings*

	% of Net Asset Value
RBC Canadian Money Market Fund	36.5
RBC Canadian Short-Term Income Fund	31.0
RBC Global Bond Fund	10.0
RBC Bond Fund	6.2
Phillips, Hager & North Short Term Bond & Mortgage Fund	5.0
Phillips, Hager & North Total Return Bond Fund	3.0
RBC Canadian Equity Fund	1.5
RBC European Equity Fund	1.2
RBC QUBE Low Volatility Canadian Equity Fund	0.7
RBC Canadian Dividend Fund	0.7
RBC O'Shaughnessy U.S. Value Fund	0.7
RBC Private U.S. Large-Cap Core Equity Pool	0.6
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	0.6
RBC U.S. Equity Fund	0.6
RBC U.S. Mid-Cap Growth Equity Fund	0.4
RBC Emerging Markets Equity Fund	0.4
Cash & Cash Equivalents	0.4
RBC Asia Pacific ex-Japan Equity Fund	0.3
RBC Japanese Equity Fund	0.2
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



PORTFOLIO SOLUTION

RBC TARGET 2025 EDUCATION 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.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for the purpose of funding their child's post-secondary education that commences around 2025. The Fund gradually shifts its asset mix from an emphasis on equity funds in its early years, to an emphasis on money market funds as its "target" year of 2025 approaches. The Fund invests its assets primarily in units of other funds managed by RBC GAM or an affiliate.

Over the life of the Fund, its portfolio will shift from a focus on funds with growth potential to a focus on funds that preserve capital.

Results of Operations

The Fund's net asset value was \$1.3 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.8%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were boosted by the RBC Bond Fund and the RBC Canadian Short-Term Income Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less well. In general, equities struggled to make the kind of headway that

came so easily last year. Returns were bolstered by the RBC U.S. Mid-Cap Growth Equity Fund and the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher. Corporate earnings continue to rise steadily, which the portfolio manager believes bodes well for stocks.

Effective January 1, 2020, (i) the specified percentage will decline to 1.55% for Series A units and 0.90% for Series D units and (ii) the management fee will decline to 0.70% for Series F units.

Effective January 1, 2023, (i) the specified percentage will decline to 1.00% for Series A units and 0.80% for Series D units and (ii) the management fee will decline to 0.65% for Series F units.

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.

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	Total	
Series A												
June 30, 2018	10.64	0.11	(0.09)	0.17	(0.10)	0.09	—	—	—	—	—	10.73
Dec. 31, 2017	10.35	0.28	(0.19)	0.33	0.23	0.65	—	(0.09)	(0.27)	—	(0.36)	10.64
Dec. 31, 2016	10.15	0.29	(0.19)	0.15	0.21	0.46	(0.01)	(0.10)	(0.14)	—	(0.25)	10.35
Dec. 31, 2015	10.16	0.32	(0.19)	0.33	(0.09)	0.37	—	(0.13)	(0.30)	—	(0.43)	10.15
Dec. 31, 2014	9.96	0.45	(0.20)	0.60	0.08	0.93	—	(0.23)	(0.52)	—	(0.75)	10.16
Dec. 31, 2013	9.08	0.30	(0.18)	0.34	0.83	1.29	—	(0.12)	(0.28)	—	(0.40)	9.96
Series D												
June 30, 2018	10.62	0.11	(0.05)	0.17	(0.10)	0.13	—	—	—	—	—	10.74
Dec. 31, 2017	10.33	0.28	(0.11)	0.33	0.23	0.73	(0.01)	(0.17)	(0.27)	—	(0.45)	10.62
Dec. 31, 2016	10.13	0.29	(0.11)	0.15	0.24	0.57	(0.01)	(0.18)	(0.15)	—	(0.34)	10.33
Dec. 31, 2015	10.15	0.32	(0.11)	0.33	(0.09)	0.45	(0.01)	(0.20)	(0.30)	—	(0.51)	10.13
Dec. 31, 2014	9.90	0.44	(0.12)	0.60	0.08	1.00	—	(0.25)	(0.52)	—	(0.77)	10.15
Dec. 31, 2013	8.98	0.30	(0.11)	0.33	0.81	1.33	—	(0.15)	(0.28)	—	(0.43)	9.90
Series F												
June 30, 2018	10.26	0.11	(0.05)	0.16	(0.07)	0.15	—	—	—	—	—	10.38
Dec. 31, 2017	9.98	0.27	(0.10)	0.32	0.21	0.70	(0.01)	(0.17)	(0.27)	—	(0.45)	10.26
Dec. 31, 2016 ³	10.00 [†]	0.13	(0.05)	0.07	(0.02)	0.13	(0.01)	(0.18)	(0.14)	—	(0.33)	9.98

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 July 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	10.73	1 244 794	116 039	1.83	1.83	11.36	0.03
Dec. 31, 2017	10.64	1 181 530	111 024	1.83	1.83	8.90	0.04
Dec. 31, 2016	10.35	992 711	95 923	1.83	1.83	8.99	0.05
Dec. 31, 2015	10.15	822 747	81 096	1.83	1.83	9.39	0.06
Dec. 31, 2014	10.16	669 585	65 917	1.93	1.93	11.95	0.08
Dec. 31, 2013	9.96	504 952	50 673	1.94	1.94	39.20	0.11
Series D							
June 30, 2018	10.74	10 177	948	1.05	1.05	11.36	0.03
Dec. 31, 2017	10.62	9 397	885	1.05	1.05	8.90	0.04
Dec. 31, 2016	10.33	7 161	693	1.05	1.05	8.99	0.05
Dec. 31, 2015	10.13	4 796	473	1.06	1.06	9.39	0.06
Dec. 31, 2014	10.15	2 489	245	1.15	1.15	11.95	0.08
Dec. 31, 2013	9.90	979	99	1.18	1.18	39.20	0.11
Series F							
June 30, 2018	10.38	22 105	2 129	0.94	0.94	11.36	0.03
Dec. 31, 2017	10.26	12 709	1 239	0.95	0.95	8.90	0.04
Dec. 31, 2016 ⁴	9.98	3 129	313	0.96	0.96	8.99	0.05

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 From July 4, 2016.

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 management fee payable in respect of each of Series A and Series D units of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A units is 1.75% and Series D units is 1.00%.

The management fee payable to RBC GAM in respect of Series F units of the Fund is a fixed fee and the MER of Series F units comprises the management fee, administration fee, taxes, other fund costs and any fees and expenses of the underlying funds.

The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

	Management Fees*	Breakdown of Services	
		Distribution	Other [†]
Series A	1.58%	57%	43%
Series D	0.87%	26%	74%
Series F	0.80%	—	100%

* Management fees for Series A and Series D units represent the actual average management fee rate for the period ended June 30, 2018.

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

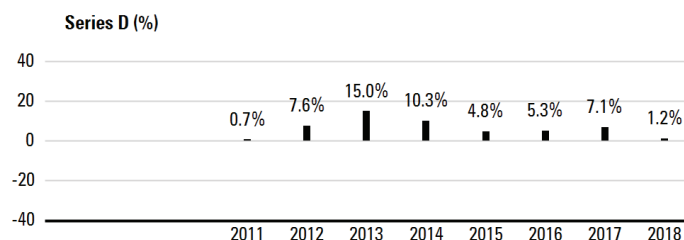
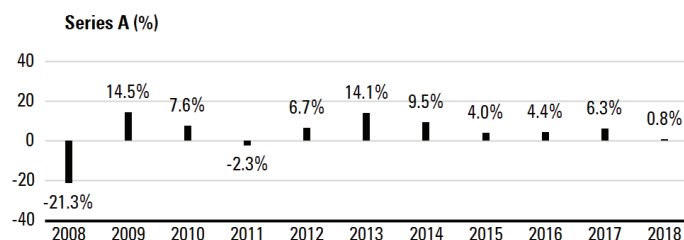


PAST PERFORMANCE

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 F units have been available for sale to unitholders since July 4, 2016, and Series D units since November 1, 2011.

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
Income Funds	64.5
Canadian Equity Funds	13.1
United States Equity Funds	12.8
International Equity Funds	9.2
Cash/Other	0.4

Top 25 Holdings*

	% of Net Asset Value
RBC Bond Fund	35.3
RBC Canadian Short-Term Income Fund	14.4
Phillips, Hager & North Total Return Bond Fund	9.9
RBC Canadian Equity Fund	6.6
RBC European Equity Fund	5.0
RBC Global Bond Fund	4.9
RBC Canadian Dividend Fund	3.3
RBC QUBE Low Volatility Canadian Equity Fund	3.2
RBC O'Shaughnessy U.S. Value Fund	2.9
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	2.6
RBC Private U.S. Large-Cap Core Equity Pool	2.6
RBC U.S. Equity Fund	2.6
RBC U.S. Mid-Cap Growth Equity Fund	2.1
RBC Emerging Markets Equity Fund	1.8
RBC Asia Pacific ex-Japan Equity Fund	1.5
RBC Japanese Equity Fund	1.0
Cash & Cash Equivalents	0.3
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



PORTFOLIO SOLUTION

RBC TARGET 2030 EDUCATION 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 is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for the purpose of funding their child's post-secondary education that commences around 2030. The Fund gradually shifts its asset mix from an emphasis on equity funds in its early years, to an emphasis on money market funds as its "target" year of 2030 approaches. The Fund invests its assets primarily in units of other funds managed by RBC GAM or an affiliate.

Over the life of the Fund, its portfolio will shift from a focus on funds with growth potential to a focus on funds that preserve capital.

Results of Operations

The Fund's net asset value was \$757 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 1.3%. 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.

The first half of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, the global economy decelerated, particularly outside North America. In Europe, investors were concerned by the installation of an Italian government calling for stricter immigration rules and more government spending, while in emerging markets, a stronger U.S. dollar and trade friction raised geopolitical headwinds.

Global government bonds were mixed in the first half of 2018: U.S. Treasuries recorded losses, German bonds rose and Japanese bonds were generally flat. Canadian bonds posted modest gains, as the trade tensions and slower global economic growth capped interest rates in a period when global central-bank tightening might have been expected to lead to higher long-term bond yields. The U.S. Federal Reserve raised short-term interest rates twice during the period and reduced the size of its balance sheet, while the Bank of Canada boosted its benchmark rate once. Returns in the fixed-income segment of the portfolio were boosted by the RBC Bond Fund and the Phillips, Hager & North Total Return Bond Fund.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts was offset by concerns about slowing economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks, but higher interest rates and slightly faster inflation weighed on valuations. Emerging-market equities and stocks in Europe and the developed markets of Asia performed less

well. In general, equities struggled to make the kind of headway that came so easily last year. Returns were bolstered by the RBC U.S. Mid-Cap Growth Equity Fund and the RBC Private U.S. Large-Cap Core Equity Pool.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher. Corporate earnings continue to rise steadily, which the portfolio manager believes bodes well for stocks.

Effective January 1, 2020, (i) the specified percentage will decline to 1.75% for Series A units and 1.00% for Series D units and (ii) the management fee will decline to 0.80% for Series F units.

Effective January 1, 2025, (i) the specified percentage will decline to 1.55% for Series A units and 0.90% for Series D units and (ii) the management fee will decline to 0.70% for Series F units.

Effective January 1, 2028, (i) the specified percentage will decline to 1.00% for Series A units and 0.80% for Series D units and (ii) the management fee will decline to 0.65% for Series F units.

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.

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	Total	
Series A												
June 30, 2018	13.30	0.12	(0.12)	0.07	0.11	0.18	—	—	—	—	—	13.48
Dec. 31, 2017	12.57	0.36	(0.25)	0.43	0.62	1.16	—	(0.11)	(0.33)	—	(0.44)	13.30
Dec. 31, 2016	12.06	0.37	(0.23)	0.12	0.55	0.81	(0.01)	(0.11)	(0.11)	—	(0.23)	12.57
Dec. 31, 2015	12.00	0.43	(0.24)	0.42	(0.23)	0.38	—	(0.15)	(0.34)	—	(0.49)	12.06
Dec. 31, 2014	11.81	0.66	(0.25)	0.84	(0.20)	1.05	—	(0.30)	(0.60)	—	(0.90)	12.00
Dec. 31, 2013	10.29	0.46	(0.22)	0.20	1.50	1.94	—	(0.15)	(0.11)	—	(0.26)	11.81
Series D												
June 30, 2018	13.38	0.12	(0.07)	0.08	0.10	0.23	—	—	—	—	—	13.61
Dec. 31, 2017	12.64	0.37	(0.15)	0.43	0.60	1.25	—	(0.21)	(0.34)	—	(0.55)	13.38
Dec. 31, 2016	12.13	0.37	(0.14)	0.12	0.57	0.92	(0.01)	(0.21)	(0.11)	—	(0.33)	12.64
Dec. 31, 2015	12.07	0.43	(0.14)	0.42	(0.23)	0.48	(0.01)	(0.25)	(0.34)	—	(0.60)	12.13
Dec. 31, 2014	11.82	0.65	(0.15)	0.83	(0.19)	1.14	(0.01)	(0.34)	(0.60)	—	(0.95)	12.07
Dec. 31, 2013	10.24	0.46	(0.14)	0.21	1.50	2.03	—	(0.17)	(0.11)	—	(0.28)	11.82
Series F												
June 30, 2018	10.82	0.10	(0.05)	0.06	0.13	0.24	—	—	—	—	—	11.01
Dec. 31, 2017	10.23	0.29	(0.11)	0.34	0.60	1.12	—	(0.19)	(0.27)	—	(0.46)	10.82
Dec. 31, 2016 ³	10.00 [†]	0.13	(0.05)	0.04	0.18	0.30	(0.01)	(0.19)	(0.09)	—	(0.29)	10.23

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 July 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	13.48	736 866	54 676	1.93	1.93	6.91	0.05
Dec. 31, 2017	13.30	641 165	48 205	1.94	1.94	5.08	0.06
Dec. 31, 2016	12.57	422 147	33 587	1.93	1.93	5.53	0.08
Dec. 31, 2015	12.06	255 378	21 168	1.94	1.94	3.06	0.08
Dec. 31, 2014	12.00	134 600	11 213	2.03	2.03	5.75	0.10
Dec. 31, 2013	11.81	52 715	4 464	2.03	2.03	22.09	0.13
Series D							
June 30, 2018	13.61	10 403	765	1.15	1.15	6.91	0.05
Dec. 31, 2017	13.38	8 952	669	1.16	1.16	5.08	0.06
Dec. 31, 2016	12.64	5 488	434	1.16	1.16	5.53	0.08
Dec. 31, 2015	12.13	3 482	287	1.17	1.17	3.06	0.08
Dec. 31, 2014	12.07	1 494	124	1.25	1.25	5.75	0.10
Dec. 31, 2013	11.82	389	33	1.28	1.28	22.09	0.13
Series F							
June 30, 2018	11.01	10 013	909	1.01	1.01	6.91	0.05
Dec. 31, 2017	10.82	4 869	450	1.02	1.02	5.08	0.06
Dec. 31, 2016 ⁴	10.23	871	85	1.04	1.04	5.53	0.08

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 From July 4, 2016.

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 management fee payable in respect of each of Series A and Series D units of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A units is 1.85% and Series D units is 1.10%.

The management fee payable to RBC GAM in respect of Series F units of the Fund is a fixed fee and the MER of Series F units comprises the management fee, administration fee, taxes, other fund costs and any fees and expenses of the underlying funds.

The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

	Management Fees*	Breakdown of Services	
		Distribution	Other [†]
Series A	1.67%	56%	44%
Series D	0.96%	23%	77%
Series F	0.85%	—	100%

* Management fees for Series A and Series D units represent the actual average management fee rate for the period ended June 30, 2018.

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

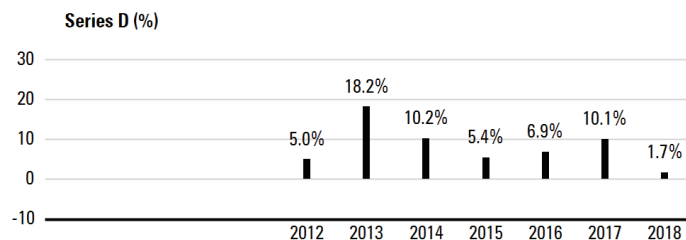
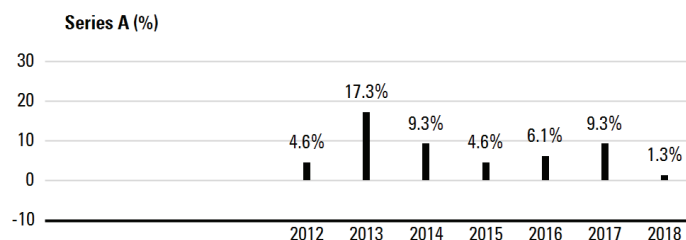


PAST PERFORMANCE

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 F units have been available for sale to unitholders since July 4, 2016, and Series A and Series D units since July 9, 2012.

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
Income Funds	39.0
Canadian Equity Funds	21.9
United States Equity Funds	21.7
International Equity Funds	17.0
Cash/Other	0.4

Top 25 Holdings*

	% of Net Asset Value
RBC Bond Fund	26.2
RBC Canadian Equity Fund	10.8
RBC European Equity Fund	8.8
RBC High Yield Bond Fund	7.7
RBC Canadian Dividend Fund	5.0
Phillips, Hager & North Total Return Bond Fund	5.0
RBC Private U.S. Large-Cap Core Equity Pool	4.7
RBC U.S. Equity Fund	4.6
RBC O'Shaughnessy U.S. Value Fund	4.5
RBC QUBE Low Volatility Canadian Equity Fund	4.1
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	4.0
RBC U.S. Mid-Cap Growth Equity Fund	3.9
RBC Emerging Markets Equity Fund	3.4
RBC Asia Pacific ex-Japan Equity Fund	2.9
Phillips, Hager & North Canadian Growth Fund	2.0
RBC Japanese Equity Fund	1.9
Cash & Cash Equivalents	0.5
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



PORTFOLIO SOLUTION

RBC TARGET 2035 EDUCATION 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 is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for the purpose of funding their child's post-secondary education that commences around 2035. The Fund gradually shifts its asset mix from an emphasis on equity funds in its early years, to an emphasis on money market funds as its "target" year of 2035 approaches. The Fund invests its assets primarily in units of other funds managed by RBC GAM or an affiliate.

Over the life of the Fund, its portfolio will shift from a focus on funds with growth potential to a focus on funds that preserve capital.

Results of Operations

The Fund was launched on August 28, 2017, and its net asset value was \$37 million as of June 30, 2018. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

Economic growth slowed in the first half of 2018 but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher. Corporate earnings continue to rise steadily, which the portfolio manager believes bodes well for stocks.

Effective January 1, 2025, the management fee will decline to 1.55% for Series A units, 1.05% for Series D units and 0.80% for Series F units.

Effective January 1, 2030, the management fee will decline to 1.45% for Series A units, 0.95% for Series D units and 0.70% for Series F units.

Effective January 1, 2033, the management fee will decline to 0.90% for Series A units, 0.80% for Series D units and 0.65% for Series F units.

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.

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	Total	
Series A												
June 30, 2018	10.22	0.10	(0.11)	—	0.20	0.19	—	—	—	—	—	10.38
Dec. 31, 2017 ³	10.00 [†]	0.30	(0.08)	0.59	(0.34)	0.47	(0.01)	(0.11)	(0.29)	—	(0.41)	10.22
Series D												
June 30, 2018	10.14	0.10	(0.06)	—	0.15	0.19	—	—	—	—	—	10.34
Dec. 31, 2017 ³	10.00 [†]	0.41	(0.05)	0.81	(0.65)	0.52	(0.01)	(0.21)	(0.30)	—	(0.52)	10.14
Series F												
June 30, 2018	10.12	0.10	(0.05)	—	0.18	0.23	—	—	—	—	—	10.33
Dec. 31, 2017 ³	10.00 [†]	0.56	(0.04)	1.10	(1.02)	0.60	(0.01)	(0.24)	(0.30)	—	(0.55)	10.12

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 August 28, 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	10.38	34 733	3 347	2.12	2.12	2.33	0.06
Dec. 31, 2017 ⁴	10.22	11 570	1 132	2.19	2.22	n/a	0.07
Series D							
June 30, 2018	10.34	1 059	102	1.26	1.26	2.33	0.06
Dec. 31, 2017 ⁴	10.14	332	33	1.37	1.40	n/a	0.07
Series F							
June 30, 2018	10.33	842	81	0.98	0.98	2.33	0.06
Dec. 31, 2017 ⁴	10.12	307	30	1.06	1.09	n/a	0.07

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 From August 28, 2017.



FINANCIAL HIGHLIGHTS (cont.)

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	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	—	100%

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

PAST PERFORMANCE

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Series D and Series F units of this Fund were launched on August 28, 2017.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
Income Funds	26.5
Canadian Equity Funds	26.1
United States Equity Funds	25.8
International Equity Funds	20.9
Cash/Other	0.7

Top 25 Holdings*

	% of Net Asset Value
RBC High Yield Bond Fund	13.9
RBC Bond Fund	12.6
RBC Canadian Equity Fund	12.6
RBC European Equity Fund	10.4
RBC Private U.S. Large-Cap Core Equity Pool	5.7
RBC U.S. Equity Fund	5.7
RBC Canadian Dividend Fund	5.2
Phillips, Hager & North Canadian Growth Fund	5.2
RBC O'Shaughnessy U.S. Value Fund	5.2
RBC U.S. Mid-Cap Growth Equity Fund	5.1
RBC Emerging Markets Equity Fund	4.2
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	4.1
RBC Asia Pacific ex-Japan Equity Fund	3.8
RBC QUBE Low Volatility Canadian Equity Fund	3.1
RBC Japanese Equity Fund	2.5
Cash & Cash Equivalents	0.7
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



CANADIAN EQUITY FUND

RBC CANADIAN DIVIDEND 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 achieve long-term returns consisting of regular dividend income and modest long-term capital growth.

The Fund invests primarily in common and preferred shares of major Canadian companies with above-average dividend yields, as well as income trusts. Stocks that qualify as investments will generally carry above-average dividend yields and offer the potential for increased payouts. The Fund may also invest in foreign securities with similar attributes.

Results of Operations

The Fund's net asset value was \$18.9 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 0.3%. 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.

The Canadian stock market posted modest gains in the first half of 2018, led by strength in the Energy and Information Technology sectors. However, domestic economic growth slowed and concern about trade protectionism intensified as the period progressed, leading the Bank of Canada to take a more cautious approach toward raising interest rates. The combination of rising borrowing costs, a weaker housing market and uncertainty about the future of the North American Free Trade Agreement conspired to dampen Canadian economic growth. Late in the period, President Trump imposed tariffs on Canadian steel and aluminum. Against this backdrop, equities have struggled to make the kind of headway that came so easily last year.

In the first half of 2018, the Fund benefited from an underweight position in BCE. Interest-rate-sensitive sectors such as Telecommunication Services and Utilities have underperformed this year amid higher bond yields. Conversely, an underweight position in the Canadian Information Technology sector held back returns. The Fund did not own top performer Constellation Software, which has grown through acquisitions.

Canadian energy producers continue to deal with price discounts on domestic production due to a lack of distribution pathways for both crude oil and natural gas. The Fund's exposure to the Energy sector was positive for the Fund's returns through holdings such as Imperial Oil, Canadian Natural Resources and Husky Energy. However, an overweight position in PrairieSky Royalty held back returns after first-quarter results came in below expectations.

Recent Developments

Equities fluctuated significantly during the first half of the year as rapid corporate-profit growth was offset by contracting price-to-earnings ratios. Expanding valuations have been a significant source of gains for stocks during this long bull market, but sustained earnings growth will be critical to drive stocks higher from here. Earnings have indeed been growing rapidly, helped in part by the U.S. tax cuts. The positive trend in earnings is expected to persist, and the portfolio manager's research suggests a reasonable outcome is for stocks to deliver positive returns this year and next. The portfolio manager acknowledges, however, that any deterioration in the outlook for earnings would leave markets vulnerable to correction given currently demanding valuations.

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 \$656,000 (2017 – \$307,000) or 25% (2017 – 14%) 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	Total	
Series A												
June 30, 2018	72.96	1.17	(0.61)	1.08	(2.02)	(0.38)	—	(0.36)	—	—	(0.36)	72.36
Dec. 31, 2017	68.49	2.11	(1.23)	1.88	2.35	5.11	—	(0.71)	—	—	(0.71)	72.96
Dec. 31, 2016	58.12	2.09	(1.10)	2.03	8.06	11.08	—	(0.86)	—	—	(0.86)	68.49
Dec. 31, 2015	63.36	2.01	(1.09)	1.54	(6.95)	(4.49)	—	(0.68)	—	—	(0.68)	58.12
Dec. 31, 2014	57.70	1.81	(1.09)	2.87	3.48	7.07	—	(0.60)	(0.72)	—	(1.32)	63.36
Dec. 31, 2013	49.64	1.69	(0.94)	1.12	6.82	8.69	—	(0.60)	—	—	(0.60)	57.68
Advisor Series												
June 30, 2018	73.41	1.18	(0.62)	1.09	(1.94)	(0.29)	—	(0.36)	—	—	(0.36)	72.80
Dec. 31, 2017	68.91	2.13	(1.24)	1.89	2.39	5.17	—	(0.71)	—	—	(0.71)	73.41
Dec. 31, 2016	58.47	2.11	(1.10)	2.04	8.24	11.29	—	(0.86)	—	—	(0.86)	68.91
Dec. 31, 2015	63.74	2.02	(1.09)	1.55	(6.99)	(4.51)	—	(0.68)	—	—	(0.68)	58.47
Dec. 31, 2014	58.04	1.82	(1.10)	2.88	3.50	7.10	—	(0.60)	(0.72)	—	(1.32)	63.74
Dec. 31, 2013	49.93	1.70	(0.94)	1.12	6.86	8.74	—	(0.62)	—	—	(0.62)	58.03
Advisor T5 Series												
June 30, 2018	65.01	1.18	(0.62)	1.09	(2.12)	(0.47)	—	(0.32)	—	(1.31)	(1.63)	63.11
Dec. 31, 2017	63.53	2.13	(1.24)	1.89	2.02	4.80	—	(0.61)	—	(2.56)	(3.17)	65.01
Dec. 31, 2016	55.78	2.11	(1.10)	2.04	8.37	11.42	—	(0.92)	—	(1.87)	(2.79)	63.53
Dec. 31, 2015	63.42	2.02	(1.09)	1.55	(6.99)	(4.51)	—	(0.70)	—	(2.47)	(3.17)	55.78
Dec. 31, 2014 ³	64.74 [†]	1.82	(1.10)	2.88	3.50	7.10	—	(0.24)	(0.65)	(0.46)	(1.35)	63.42
Series T5												
June 30, 2018	60.61	0.96	(0.51)	0.89	(1.50)	(0.16)	—	(0.31)	—	(1.20)	(1.51)	58.85
Dec. 31, 2017	59.23	1.79	(1.06)	1.60	2.15	4.48	—	(0.60)	—	(2.36)	(2.96)	60.61
Dec. 31, 2016	52.00	1.84	(0.98)	1.78	7.31	9.95	—	(0.88)	—	(1.72)	(2.60)	59.23
Dec. 31, 2015	59.08	1.84	(1.00)	1.41	(6.35)	(4.10)	—	(0.75)	—	(2.20)	(2.95)	52.00
Dec. 31, 2014	55.24	1.70	(1.05)	2.69	3.26	6.60	—	(0.62)	(0.75)	(1.39)	(2.76)	59.08
Dec. 31, 2013	49.30	1.64	(0.96)	1.08	6.61	8.37	—	(0.65)	—	(1.82)	(2.47)	55.23
Series T8												
June 30, 2018	10.65	0.17	(0.09)	0.16	(0.30)	(0.06)	—	(0.05)	—	(0.37)	(0.42)	10.17
Dec. 31, 2017	10.73	0.32	(0.19)	0.29	0.36	0.78	—	(0.11)	—	(0.75)	(0.86)	10.65
Dec. 31, 2016	9.70	0.34	(0.18)	0.33	1.28	1.77	—	(0.16)	—	(0.61)	(0.77)	10.73
Dec. 31, 2015	11.39	0.35	(0.19)	0.27	(1.21)	(0.78)	—	(0.15)	—	(0.76)	(0.91)	9.70
Dec. 31, 2014	10.97	0.33	(0.20)	0.53	0.64	1.30	—	(0.14)	(0.12)	(0.62)	(0.88)	11.39
Dec. 31, 2013	10.08	0.33	(0.18)	0.22	1.34	1.71	—	(0.15)	—	(0.66)	(0.81)	10.97



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 D												
June 30, 2018	73.06	1.17	(0.36)	1.08	(1.85)	0.04	—	(0.61)	—	—	(0.61)	72.46
Dec. 31, 2017	68.55	2.12	(0.73)	1.89	2.40	5.68	—	(1.17)	—	—	(1.17)	73.06
Dec. 31, 2016	58.20	2.10	(0.70)	2.03	8.23	11.66	—	(1.29)	—	—	(1.29)	68.55
Dec. 31, 2015	63.44	2.02	(0.75)	1.54	(6.96)	(4.15)	—	(1.01)	—	—	(1.01)	58.20
Dec. 31, 2014	57.76	1.81	(0.75)	2.87	3.48	7.41	—	(0.93)	(0.72)	—	(1.65)	63.44
Dec. 31, 2013	49.70	1.69	(0.64)	1.12	6.83	9.00	—	(0.91)	—	—	(0.91)	57.75
Series F												
June 30, 2018	75.17	1.20	(0.27)	1.12	(1.35)	0.70	—	(0.73)	—	—	(0.73)	74.55
Dec. 31, 2017	70.54	2.18	(0.56)	1.94	2.89	6.45	—	(1.41)	—	—	(1.41)	75.17
Dec. 31, 2016	59.89	2.18	(0.54)	2.11	9.27	13.02	—	(1.52)	—	—	(1.52)	70.54
Dec. 31, 2015	65.27	2.07	(0.59)	1.59	(7.17)	(4.10)	—	(1.22)	—	—	(1.22)	59.89
Dec. 31, 2014	59.40	1.86	(0.60)	2.95	3.58	7.79	—	(1.11)	(0.72)	—	(1.83)	65.27
Dec. 31, 2013	51.09	1.74	(0.51)	1.15	7.03	9.41	—	(1.07)	—	—	(1.07)	59.38
Series FT5												
June 30, 2018	68.50	1.09	(0.24)	1.01	(1.13)	0.73	—	(0.62)	—	(1.10)	(1.72)	66.86
Dec. 31, 2017	66.25	2.00	(0.52)	1.79	3.11	6.38	—	(1.19)	—	(2.12)	(3.31)	68.50
Dec. 31, 2016	57.63	2.07	(0.52)	2.00	8.99	12.54	—	(1.43)	—	(1.45)	(2.88)	66.25
Dec. 31, 2015	64.90	2.02	(0.55)	1.55	(6.98)	(3.96)	—	(1.29)	—	(1.96)	(3.25)	57.63
Dec. 31, 2014 ³	66.32 [†]	0.74	(0.24)	1.17	1.42	3.09	—	(0.32)	(1.35)	—	(1.67)	64.90
Series FT8												
June 30, 2018	10.78	0.17	(0.04)	0.16	(0.24)	0.05	—	(0.10)	—	(0.33)	(0.43)	10.35
Dec. 31, 2017	10.75	0.32	(0.09)	0.29	0.42	0.94	—	(0.21)	—	(0.65)	(0.86)	10.78
Dec. 31, 2016 ⁴	10.06 [†]	0.17	(0.04)	0.17	0.80	1.10	—	(0.11)	—	(0.31)	(0.42)	10.75
Series I												
June 30, 2018	73.82	1.18	(0.18)	1.10	(1.91)	0.19	—	(0.81)	—	—	(0.81)	73.21
Dec. 31, 2017	69.27	2.14	(0.36)	1.91	2.35	6.04	—	(1.58)	—	—	(1.58)	73.82
Dec. 31, 2016	58.80	2.08	(0.31)	2.01	8.29	12.07	—	(1.69)	—	—	(1.69)	69.27
Dec. 31, 2015	64.10	2.04	(0.32)	1.56	(7.04)	(3.76)	—	(1.45)	—	—	(1.45)	58.80
Dec. 31, 2014	58.37	1.83	(0.32)	2.90	3.52	7.93	—	(1.40)	(0.72)	—	(2.12)	64.10
Dec. 31, 2013	50.24	1.71	(0.28)	1.13	6.91	9.47	—	(1.31)	—	—	(1.31)	58.35
Series O												
June 30, 2018	74.41	1.19	(0.01)	1.10	(1.64)	0.64	—	(0.99)	—	—	(0.99)	73.80
Dec. 31, 2017	69.84	2.16	(0.02)	1.92	2.48	6.54	—	(1.95)	—	—	(1.95)	74.41
Dec. 31, 2016	59.33	2.14	(0.01)	2.07	8.36	12.56	—	(2.08)	—	—	(2.08)	69.84
Dec. 31, 2015	64.68	2.06	(0.01)	1.57	(7.11)	(3.49)	—	(1.78)	—	—	(1.78)	59.33
Dec. 31, 2014	58.91	1.85	(0.01)	2.93	3.55	8.32	—	(1.73)	(0.72)	—	(2.45)	64.68
Dec. 31, 2013	50.70	1.73	(0.01)	1.14	6.97	9.83	—	(1.59)	—	—	(1.59)	58.89

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 August 11, 2014.

⁴ From July 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	72.36	9 916 937	137 053	1.76	1.76	15.19	0.03
Dec. 31, 2017	72.96	10 700 074	146 666	1.76	1.76	14.26	0.03
Dec. 31, 2016	68.49	10 743 946	156 870	1.76	1.76	13.16	0.03
Dec. 31, 2015	58.12	10 062 888	173 144	1.76	1.76	12.92	0.02
Dec. 31, 2014	63.36	11 865 196	187 269	1.76	1.76	17.39	0.03
Dec. 31, 2013	57.70	10 897 203	188 857	1.79	1.79	19.11	0.04
Advisor Series							
June 30, 2018	72.80	189 084	2 597	1.76	1.76	15.19	0.03
Dec. 31, 2017	73.41	195 933	2 669	1.76	1.76	14.26	0.03
Dec. 31, 2016	68.91	185 720	2 695	1.76	1.76	13.16	0.03
Dec. 31, 2015	58.47	155 684	2 663	1.76	1.76	12.92	0.02
Dec. 31, 2014	63.74	176 324	2 766	1.76	1.76	17.39	0.03
Dec. 31, 2013	58.04	154 034	2 654	1.77	1.77	19.11	0.04
Advisor T5 Series							
June 30, 2018	63.11	2 497	40	1.80	1.80	15.19	0.03
Dec. 31, 2017	65.01	2 646	41	1.79	1.79	14.26	0.03
Dec. 31, 2016	63.53	2 252	35	1.79	1.79	13.16	0.03
Dec. 31, 2015	55.78	1 406	25	1.84	1.84	12.92	0.02
Dec. 31, 2014 ⁴	63.42	44	1	1.81	1.81	17.39	0.03
Series T5							
June 30, 2018	58.85	15 246	259	1.77	1.77	15.19	0.03
Dec. 31, 2017	60.61	14 650	242	1.78	1.78	14.26	0.03
Dec. 31, 2016	59.23	10 695	181	1.78	1.78	13.16	0.03
Dec. 31, 2015	52.00	7 177	138	1.78	1.78	12.92	0.02
Dec. 31, 2014	59.08	5 579	94	1.79	1.79	17.39	0.03
Dec. 31, 2013	55.24	1 753	32	1.83	1.83	19.11	0.04
Series T8							
June 30, 2018	10.17	108 366	10 651	1.78	1.78	15.19	0.03
Dec. 31, 2017	10.65	114 561	10 760	1.78	1.78	14.26	0.03
Dec. 31, 2016	10.73	104 268	9 714	1.79	1.79	13.16	0.03
Dec. 31, 2015	9.70	96 352	9 931	1.78	1.78	12.92	0.02
Dec. 31, 2014	11.39	106 907	9 383	1.77	1.77	17.39	0.03
Dec. 31, 2013	10.97	74 547	6 796	1.76	1.76	19.11	0.04
Series D							
June 30, 2018	72.46	699 614	9 656	1.05	1.05	15.19	0.03
Dec. 31, 2017	73.06	707 172	9 680	1.05	1.05	14.26	0.03
Dec. 31, 2016	68.55	633 384	9 240	1.12 ⁵	1.12	13.16	0.03
Dec. 31, 2015	58.20	519 006	8 918	1.21	1.21	12.92	0.02
Dec. 31, 2014	63.44	546 615	8 616	1.21	1.21	17.39	0.03
Dec. 31, 2013	57.76	437 312	7 571	1.21	1.21	19.11	0.04
Series F							
June 30, 2018	74.55	1 580 949	21 207	0.76	0.76	15.19	0.03
Dec. 31, 2017	75.17	1 235 540	16 438	0.77	0.77	14.26	0.03
Dec. 31, 2016	70.54	591 601	8 387	0.83 ⁵	0.83	13.16	0.03
Dec. 31, 2015	59.89	218 825	3 654	0.93	0.93	12.92	0.02
Dec. 31, 2014	65.27	190 361	2 916	0.94	0.94	17.39	0.03
Dec. 31, 2013	59.40	142 427	2 398	0.94	0.94	19.11	0.04



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	66.86	12 527	187	0.75	0.75	15.19	0.03
Dec. 31, 2017	68.50	9 749	142	0.78	0.78	14.26	0.03
Dec. 31, 2016	66.25	1 970	30	0.84 ⁵	0.84	13.16	0.03
Dec. 31, 2015	57.63	488	8	0.89	0.89	12.92	0.02
Dec. 31, 2014 ⁴	64.90	213	3	0.96	0.96	17.39	0.03
Series FT8							
June 30, 2018	10.35	11 185	1 081	0.75	0.75	15.19	0.03
Dec. 31, 2017	10.78	10 143	941	0.78	0.78	14.26	0.03
Dec. 31, 2016 ⁶	10.75	6 268	583	0.84	0.84	13.16	0.03
Series I							
June 30, 2018	73.21	32 155	439	0.50	0.50	15.19	0.03
Dec. 31, 2017	73.82	32 709	443	0.50	0.50	14.26	0.03
Dec. 31, 2016	69.27	36 235	523	0.51	0.51	13.16	0.03
Dec. 31, 2015	58.80	136 884	2 328	0.51	0.51	12.92	0.02
Dec. 31, 2014	64.10	317 544	4 954	0.51	0.51	17.39	0.03
Dec. 31, 2013	58.37	311 810	5 342	0.52	0.52	19.11	0.04
Series O							
June 30, 2018	73.80	6 298 226	85 346	0.02	0.02	15.19	0.03
Dec. 31, 2017	74.41	5 805 031	78 018	0.02	0.02	14.26	0.03
Dec. 31, 2016	69.84	5 210 089	74 600	0.02	0.02	13.16	0.03
Dec. 31, 2015	59.33	5 329 892	89 835	0.02	0.02	12.92	0.02
Dec. 31, 2014	64.68	4 813 115	74 409	0.02	0.02	17.39	0.03
Dec. 31, 2013	58.91	4 532 810	76 947	0.02	0.02	19.11	0.04

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 From August 11, 2014.

⁵ Effective June 30, 2016, the management fees were changed in respect of Series D, Series F and Series FT5 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 D – 1.05%, Series F – 0.77% and Series FT5 – 0.79%.

⁶ From July 4, 2016.



FINANCIAL HIGHLIGHTS (cont.)

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	1.50%	67%	33%
Advisor Series	1.50%	67%	33%
Advisor T5 Series	1.50%	67%	33%
Series T5	1.50%	67%	33%
Series T8	1.50%	67%	33%
Series D	0.85%	25%	75%
Series F	0.60%	—	100%
Series FT5	0.60%	—	100%
Series FT8	0.60%	—	100%
Series I	0.44%	—	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.

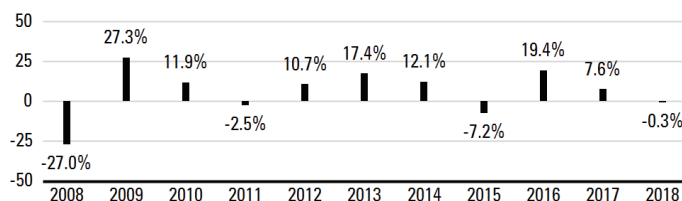
PAST PERFORMANCE

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.

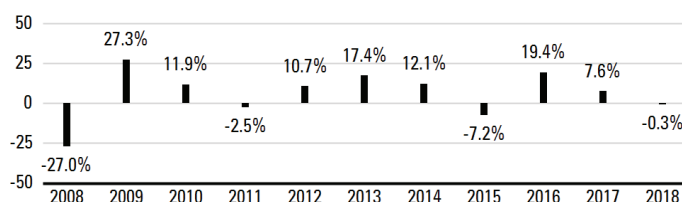
Year-by-Year Returns (%)

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.

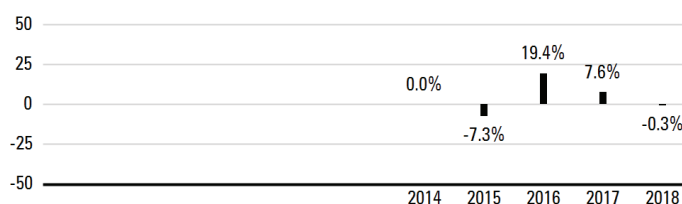
Series A (%)



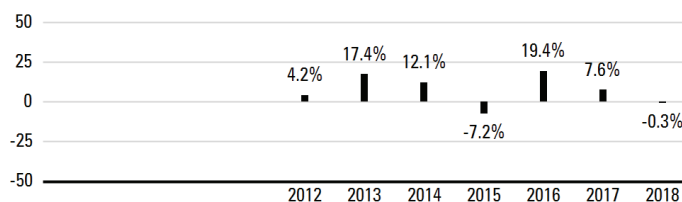
Advisor Series (%)



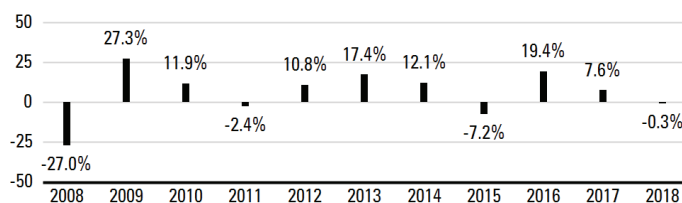
Advisor T5 Series (%)



Series T5 (%)

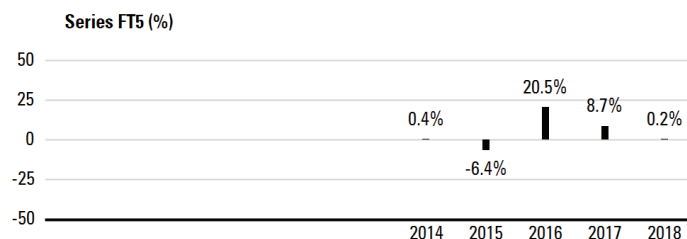
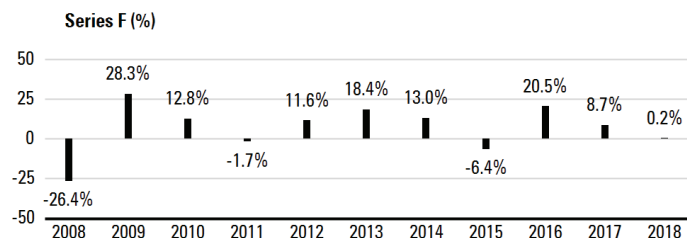
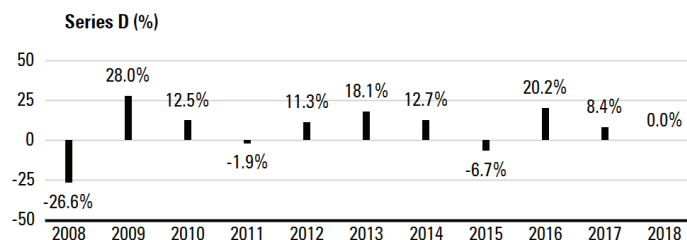


Series T8 (%)

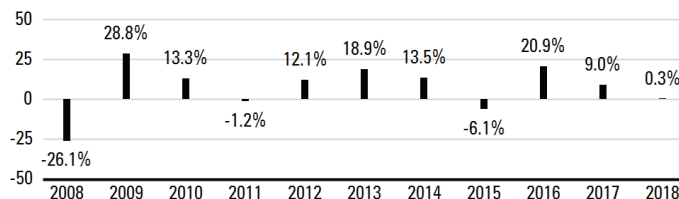




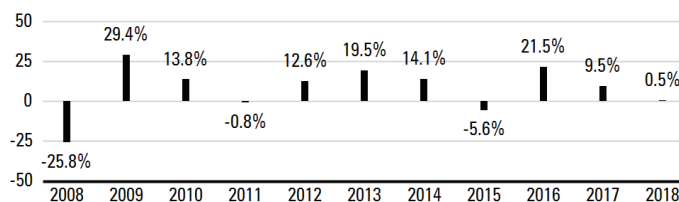
PAST PERFORMANCE (cont.)



Series I (%)



Series O (%)



Series FT8 units have been available for sale to unitholders since July 4, 2016, Advisor T5 Series and Series FT5 units since August 11, 2014, and Series T5 units since September 24, 2012.

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
Financials	42.7
Energy	20.3
Industrials	8.9
Utilities	4.8
Telecommunication Services	4.4
Consumer Staples	4.2
Consumer Discretionary	3.4
Materials	3.2
Real Estate	2.3
Health Care	0.7
Bonds	0.4
Cash/Other	4.7

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	7.6
Toronto-Dominion Bank	7.5
Bank of Nova Scotia	6.1
Canadian National Railway Co.	5.0
Cash & Cash Equivalents	4.4
Enbridge Inc.	4.4
Brookfield Asset Management Inc., Class A	4.0
Bank of Montreal	3.6
TransCanada Corp.	3.0
Canadian Natural Resources Ltd.	2.9
Suncor Energy Inc.	2.9
Manulife Financial Corporation	2.8
Canadian Imperial Bank of Commerce	2.5
Canadian Pacific Railway Ltd.	2.1
Loblaw Companies Ltd.	1.9
TELUS Corp.	1.8
Sun Life Financial Inc.	1.6
Nutrien Ltd.	1.5
Rogers Communications Inc., Class B	1.5
Imperial Oil Ltd.	1.5
Fairfax Financial Holdings Ltd.	1.4
Power Corporation of Canada	1.3
Thomson Corp.	1.3
Pembina Pipeline Corp.	1.2
PrairieSky Royalty Ltd.	1.2
Top 25 Holdings	75.0

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.



CANADIAN EQUITY FUND

RBC CANADIAN 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 in equity securities of major Canadian companies to provide broad exposure to economic growth opportunities in Canada.

The Fund seeks to identify the best potential for growth while limiting risk and may hold shares of smaller companies, income-trust units and securities of comparable foreign companies.

Results of Operations

The Fund's net asset value was \$2.4 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 1.0%. 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.

The Canadian stock market posted modest gains in the first half of 2018, led by strength in the Energy and Information Technology sectors. However, domestic economic growth slowed and concern about trade protectionism intensified as the period progressed, leading the Bank of Canada to take a more cautious approach toward raising interest rates. The combination of rising borrowing costs, a weaker housing market and uncertainty about the future of the North American Free Trade Agreement conspired to dampen Canadian economic growth. Late in the period, President Trump imposed tariffs on Canadian steel and aluminum. Against this backdrop, equities have struggled to make the kind of headway that came so easily last year.

Security selection had a negative impact on the Fund's relative returns in the first half of 2018, while sector allocation was positive. Performance was hurt by an underweight position in the Canadian Information Technology sector. Specifically, the Fund did not own top performer Constellation Software, which has grown through acquisitions. Positions that had a positive impact on returns included DREAM Unlimited, UnitedHealth and Aritzia. An underweight position in BCE also added to relative performance. Interest-rate-sensitive sectors such as Telecommunication Services have underperformed so far this year amid higher bond yields.

Recent Developments

Equities fluctuated significantly during the first half of the year as rapid corporate-profit growth was offset by contracting price-to-earnings ratios. Expanding valuations have been a significant source of gains for stocks during this long bull market, but sustained earnings growth will be critical to drive stocks higher from here. The earnings outlook in Canada has been upgraded to reflect higher crude-oil prices, underpinning Energy sector earnings. The global economic backdrop supports continued momentum in commodity prices as the

global economy appears to be entering the later part of the cycle. The positive trend in earnings is expected to persist, and the portfolio manager's research suggests a reasonable outcome is for stocks to deliver positive returns this year and next.

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 \$133,000 (2017 – \$109,000) or 17% (2017 – 10%) 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	24.48	0.35	(0.22)	0.79	(0.74)	0.18	—	—	—	—	—	24.71
Dec. 31, 2017	24.78	0.66	(0.48)	2.08	(0.65)	1.61	—	(0.09)	(1.86)	—	(1.95)	24.48
Dec. 31, 2016	20.82	0.65	(0.44)	1.01	2.83	4.05	—	(0.15)	—	—	(0.15)	24.78
Dec. 31, 2015	23.35	0.69	(0.47)	0.72	(3.06)	(2.12)	—	(0.11)	(0.23)	—	(0.34)	20.82
Dec. 31, 2014	24.44	0.71	(0.54)	4.96	(1.53)	3.60	—	(0.08)	(3.26)	—	(3.34)	23.35
Dec. 31, 2013	21.82	0.67	(0.47)	0.97	1.21	2.38	—	(0.16)	—	—	(0.16)	24.44
Advisor Series												
June 30, 2018	24.63	0.35	(0.22)	0.79	(0.73)	0.19	—	—	—	—	—	24.86
Dec. 31, 2017	24.92	0.67	(0.47)	2.10	(0.68)	1.62	—	(0.09)	(1.86)	—	(1.95)	24.63
Dec. 31, 2016	20.93	0.66	(0.44)	1.02	2.91	4.15	—	(0.15)	—	—	(0.15)	24.92
Dec. 31, 2015	23.47	0.69	(0.47)	0.73	(3.08)	(2.13)	—	(0.11)	(0.23)	—	(0.34)	20.93
Dec. 31, 2014	24.55	0.71	(0.54)	4.97	(1.53)	3.61	—	(0.08)	(3.26)	—	(3.34)	23.47
Dec. 31, 2013	21.90	0.67	(0.47)	0.97	1.22	2.39	—	(0.16)	—	—	(0.16)	24.54
Series T5												
June 30, 2018	24.24	0.34	(0.21)	0.77	(0.02)	0.88	—	(0.61)	—	—	(0.61)	23.85
Dec. 31, 2017 ³	24.97 [†]	0.55	(0.38)	1.74	0.04	1.95	(0.02)	(0.08)	(2.06)	—	(2.16)	24.24
Series D												
June 30, 2018	25.09	0.36	(0.13)	0.81	(0.71)	0.33	—	—	—	—	—	25.44
Dec. 31, 2017	25.40	0.68	(0.27)	2.14	(0.65)	1.90	—	(0.32)	(1.91)	—	(2.23)	25.09
Dec. 31, 2016	21.35	0.67	(0.26)	1.04	2.93	4.38	—	(0.36)	—	—	(0.36)	25.40
Dec. 31, 2015	23.93	0.71	(0.28)	0.74	(3.15)	(1.98)	—	(0.30)	(0.23)	—	(0.53)	21.35
Dec. 31, 2014	25.08	0.74	(0.33)	5.13	(1.58)	3.96	—	(0.31)	(3.37)	—	(3.68)	23.93
Dec. 31, 2013	22.37	0.69	(0.28)	1.00	1.25	2.66	—	(0.36)	—	—	(0.36)	25.07
Series F												
June 30, 2018	27.22	0.39	(0.10)	0.88	(0.52)	0.65	—	—	—	—	—	27.63
Dec. 31, 2017	27.57	0.75	(0.22)	2.34	(0.47)	2.40	—	(0.43)	(2.08)	—	(2.51)	27.22
Dec. 31, 2016	23.17	0.74	(0.21)	1.14	3.45	5.12	—	(0.47)	—	—	(0.47)	27.57
Dec. 31, 2015	25.96	0.77	(0.24)	0.81	(3.42)	(2.08)	—	(0.37)	(0.26)	—	(0.63)	23.17
Dec. 31, 2014	26.90	0.80	(0.28)	5.60	(1.72)	4.40	—	(0.36)	(3.37)	—	(3.73)	25.96
Dec. 31, 2013	23.97	0.74	(0.24)	1.07	1.35	2.92	—	(0.43)	—	—	(0.43)	26.89
Series FT5												
June 30, 2018	27.03	0.39	(0.10)	0.86	(0.89)	0.26	—	(0.68)	—	—	(0.68)	26.74
Dec. 31, 2017 ³	27.83 [†]	0.62	(0.17)	1.95	1.61	4.01	(0.02)	(0.30)	(2.34)	—	(2.66)	27.03



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	Total	
Series I												
June 30, 2018	27.32	0.39	(0.03)	0.88	(0.77)	0.47	—	—	—	—	—	27.81
Dec. 31, 2017	27.70	0.75	(0.07)	2.35	(0.70)	2.33	—	(0.60)	(2.10)	—	(2.70)	27.32
Dec. 31, 2016	23.26	0.74	(0.06)	1.14	3.24	5.06	—	(0.62)	—	—	(0.62)	27.70
Dec. 31, 2015	26.07	0.78	(0.06)	0.81	(3.45)	(1.92)	—	(0.55)	(0.26)	—	(0.81)	23.26
Dec. 31, 2014	27.35	0.81	(0.07)	5.64	(1.73)	4.65	—	(0.62)	(3.70)	—	(4.32)	26.07
Dec. 31, 2013	24.38	0.75	(0.06)	1.09	1.37	3.15	—	(0.64)	—	—	(0.64)	27.34
Series O												
June 30, 2018	22.56	0.33	—	0.73	(0.56)	0.50	—	—	—	—	—	22.99
Dec. 31, 2017	22.90	0.62	(0.01)	1.94	(0.52)	2.03	—	(0.57)	(1.75)	—	(2.32)	22.56
Dec. 31, 2016	19.24	0.61	—	0.94	2.69	4.24	—	(0.58)	—	—	(0.58)	22.90
Dec. 31, 2015	21.59	0.64	—	0.67	(2.86)	(1.55)	—	(0.51)	(0.22)	—	(0.73)	19.24
Dec. 31, 2014	26.16	0.65	(0.01)	4.53	(1.39)	3.78	—	(4.00)	(3.51)	—	(7.51)	21.59
Dec. 31, 2013	23.51	0.70	(0.01)	1.01	1.27	2.97	—	(0.88)	—	—	(0.88)	26.15

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	24.71	1 622 539	65 658	1.89	1.89	33.41	0.08
Dec. 31, 2017	24.48	1 741 919	71 173	1.89	1.89	40.35	0.10
Dec. 31, 2016	24.78	1 865 207	75 277	1.97 ⁴	1.97	23.57	0.07
Dec. 31, 2015	20.82	1 795 493	86 232	2.06	2.06	18.00	0.06
Dec. 31, 2014	23.35	2 268 583	97 169	2.06	2.06	24.24	0.07
Dec. 31, 2013	24.44	2 326 759	95 185	2.06	2.06	41.26	0.12
Advisor Series							
June 30, 2018	24.86	14 748	593	1.87	1.87	33.41	0.08
Dec. 31, 2017	24.63	15 671	636	1.87	1.87	40.35	0.10
Dec. 31, 2016	24.92	15 951	640	1.95 ⁴	1.95	23.57	0.07
Dec. 31, 2015	20.93	13 517	646	2.04	2.04	18.00	0.06
Dec. 31, 2014	23.47	16 285	694	2.04	2.04	24.24	0.07
Dec. 31, 2013	24.55	16 307	664	2.05	2.05	41.26	0.12
Series T5							
June 30, 2018	23.85	38	2	1.80	1.80	33.41	0.08
Dec. 31, 2017 ⁵	24.24	22	1	1.79	1.79	40.35	0.10
Series D							
June 30, 2018	25.44	122 591	4 820	1.05	1.05	33.41	0.08
Dec. 31, 2017	25.09	126 564	5 045	1.05	1.05	40.35	0.10
Dec. 31, 2016	25.40	124 611	4 905	1.13 ⁴	1.13	23.57	0.07
Dec. 31, 2015	21.35	112 814	5 285	1.21	1.21	18.00	0.06
Dec. 31, 2014	23.93	128 683	5 378	1.21	1.21	24.24	0.07
Dec. 31, 2013	25.08	120 365	4 800	1.22	1.22	41.26	0.12



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 F							
June 30, 2018	27.63	151 381	5 478	0.76	0.76	33.41	0.08
Dec. 31, 2017	27.22	116 721	4 289	0.77	0.77	40.35	0.10
Dec. 31, 2016	27.57	54 289	1 969	0.83 ⁴	0.83	23.57	0.07
Dec. 31, 2015	23.17	14 404	622	0.94	0.94	18.00	0.06
Dec. 31, 2014	25.96	14 653	564	0.95	0.95	24.24	0.07
Dec. 31, 2013	26.90	10 452	389	0.94	0.94	41.26	0.12
Series FT5							
June 30, 2018	26.74	141	5	0.77	0.77	33.41	0.08
Dec. 31, 2017 ⁵	27.03	20	1	0.74	0.74	40.35	0.10
Series I							
June 30, 2018	27.81	187 973	6 758	0.24	0.24	33.41	0.08
Dec. 31, 2017	27.32	188 503	6 899	0.25	0.25	40.35	0.10
Dec. 31, 2016	27.70	173 538	6 266	0.25	0.25	23.57	0.07
Dec. 31, 2015	23.26	140 645	6 048	0.25	0.25	18.00	0.06
Dec. 31, 2014	26.07	152 917	5 865	0.25	0.25	24.24	0.07
Dec. 31, 2013	27.35	135 874	4 968	0.25	0.25	41.26	0.12
Series O							
June 30, 2018	22.99	300 691	13 078	0.02	0.02	33.41	0.08
Dec. 31, 2017	22.56	303 603	13 458	0.02	0.02	40.35	0.10
Dec. 31, 2016	22.90	284 049	12 403	0.02	0.02	23.57	0.07
Dec. 31, 2015	19.24	259 273	13 473	0.02	0.02	18.00	0.06
Dec. 31, 2014	21.59	244 885	11 344	0.02	0.02	24.24	0.07
Dec. 31, 2013	26.16	1 892 407	72 348	0.02	0.02	41.26	0.12

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 – 1.89%, Advisor Series – 1.87%, Series D – 1.05% and Series F – 0.77%.

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 I	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.

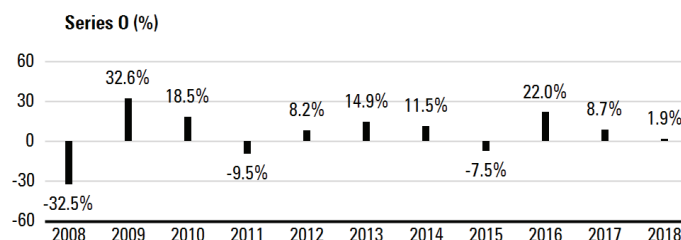
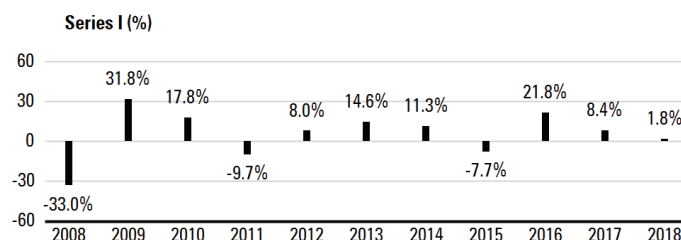
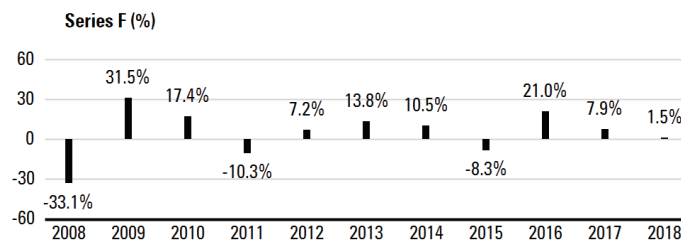
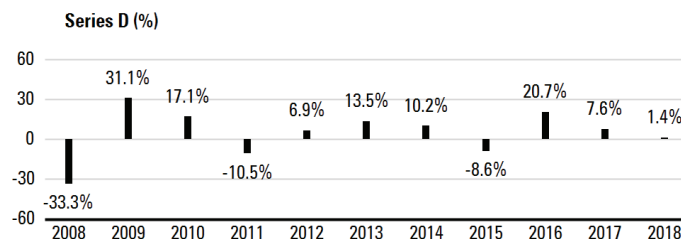
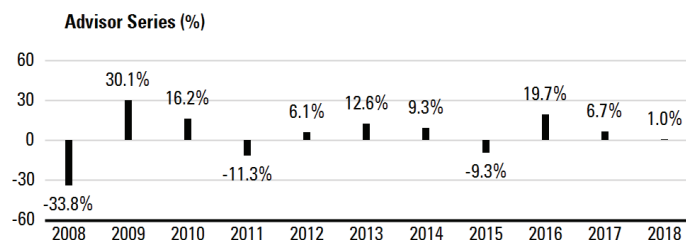
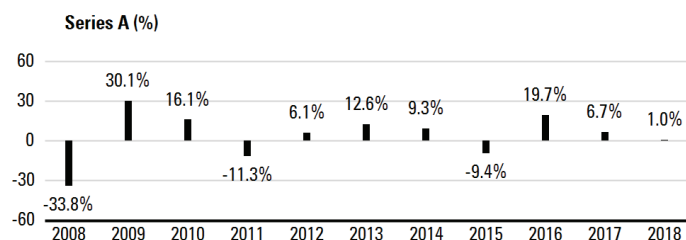


PAST PERFORMANCE

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 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
Financials	28.9
Energy	21.3
Industrials	10.1
Materials	8.5
Utilities	5.7
Real Estate	4.8
Investment Funds	4.5
Consumer Discretionary	3.7
Consumer Staples	3.0
Telecommunication Services	3.0
Health Care	2.6
Information Technology	2.5
Cash/Other	1.4

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	5.7
Toronto-Dominion Bank	5.1
Bank of Nova Scotia	4.7
RBC Canadian Small & Mid-Cap Resources Fund	4.5
Enbridge Inc.	4.0
Suncor Energy Inc.	4.0
Canadian Natural Resources Ltd.	3.3
Canadian National Railway Co.	2.9
Manulife Financial Corporation	2.7
TransCanada Corp.	2.6
Bank of Montreal	2.4
Nutrien Ltd.	2.4
Brookfield Asset Management Inc., Class A	2.3
Sun Life Financial Inc.	1.9
SNC-Lavalin Group Inc.	1.7
Canadian Pacific Railway Ltd.	1.7
Canadian Imperial Bank of Commerce	1.6
BCE Inc.	1.5
Pembina Pipeline Corp.	1.5
Alimentation Couche-Tard Inc.	1.4
Thomson Corp.	1.3
Cash & Cash Equivalents	1.2
UnitedHealth Group Incorporated	1.2
Keyera Corp.	1.2
Teck Resources Ltd., Class B	1.0
Top 25 Holdings	63.8

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.



CANADIAN EQUITY FUND

RBC QUBE CANADIAN 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 Canadian companies using a quantitative approach.

The Fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager will diversify across industries within the Canadian market.

Results of Operations

The Fund's net asset value was \$1.7 billion as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 3.4%. The Fund's return is after the deduction of 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.

The Canadian stock market posted modest gains in the first half of 2018, led by returns in the Energy and Information Technology sectors. However, domestic economic growth slowed and concern about trade protectionism intensified as the period progressed, leading the Bank of Canada to take a more cautious approach toward raising interest rates. The combination of rising borrowing costs, a weaker housing market and uncertainty about the future of the North American Free Trade Agreement conspired to dampen Canadian economic growth. Late in the period, President Trump imposed tariffs on Canadian steel and aluminum. Against this backdrop, equities struggled to make the kind of headway that came so easily last year.

In the Industrials sector, positions in WestJet and Air Canada held back the Fund's returns. The Financials sector also weighed on performance, as a position in CI Financial had a large negative impact during the period.

In the Energy sector, the Fund's position in Parex Resources added significantly to returns. Various positions in the Information Technology sector also aided performance, with a large contribution from a holding in Constellation Software.

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 even higher. 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

rest of 2018. A scenario of strong economic growth is generally good for Canada's resources-reliant stock market.

There are several scenarios that could lead to a more negative outcome for Canadian 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 \$189,000 (2017 – \$265,000) or 21% (2017 – 21%) 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	Total	
		Series 0										
June 30, 2018	12.04	0.18	—	0.10	0.19	0.47	—	—	—	—	—	12.46
Dec. 31, 2017	11.29	0.35	—	0.07	0.69	1.11	(0.01)	(0.30)	(0.02)	—	(0.33)	12.04
Dec. 31, 2016	9.94	0.34	—	0.20	1.18	1.72	(0.01)	(0.32)	(0.02)	—	(0.35)	11.29
Dec. 31, 2015	10.92	0.33	—	(0.25)	(0.98)	(0.90)	(0.01)	(0.23)	—	—	(0.24)	9.94
Dec. 31, 2014	9.87	0.34	—	0.04	0.17	0.55	—	(0.05)	(0.02)	—	(0.07)	10.92
Dec. 31, 2013 ³	9.90 [†]	0.37	(0.01)	0.26	1.15	1.77	(1.45)	(0.35)	—	—	(1.80)	9.87

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 June 27, 2013. Although Series O units of the Fund were created in November 2011, units were not offered for sale under a simplified prospectus until June 27, 2013.

[†] 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 O							
June 30, 2018	12.46	1 721 106	138 178	0.02	0.02	80.15	0.11
Dec. 31, 2017	12.04	1 499 149	124 496	0.02	0.02	96.25	0.15
Dec. 31, 2016	11.29	1 240 909	109 932	0.02	0.02	128.50	0.20
Dec. 31, 2015	9.94	1 038 489	104 465	0.02	0.02	52.28	0.07
Dec. 31, 2014	10.92	685 012	62 726	0.02	0.02	30.18	0.19
Dec. 31, 2013 ⁴	9.87	2 658	269	0.03	0.13	76.14	0.06

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 From June 27, 2013. Although Series O units of the Fund were created in November 2011, units were not offered for sale under a simplified prospectus until June 27, 2013.



FINANCIAL HIGHLIGHTS (cont.)

Management Fees

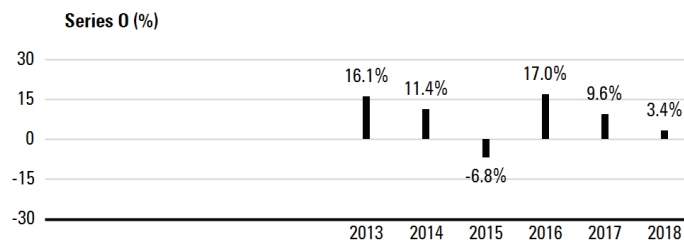
RBC GAM is the manager, trustee and portfolio manager of the Fund. No management fees are paid by the Fund with respect to Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

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 O units have been available for sale to unitholders since June 27, 2013.

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
Financials	31.4
Energy	18.1
Materials	12.5
Industrials	11.4
Consumer Discretionary	7.2
Telecommunication Services	6.5
Utilities	3.2
Information Technology	3.0
Real Estate	2.5
Consumer Staples	2.1
Health Care	1.8
Cash/Other	0.3

Top 25 Holdings

	% of Net Asset Value
Toronto-Dominion Bank	8.2
Royal Bank of Canada	5.7
Suncor Energy Inc.	5.1
Bank of Montreal	3.6
Canadian Imperial Bank of Commerce	2.9
Constellation Software Inc.	2.9
Rogers Communications Inc., Class B	2.8
Waste Connections Inc.	2.7
Enbridge Inc.	2.6
Magna International Inc., Class A	2.5
Bank of Nova Scotia	2.5
TransCanada Corp.	2.2
Manulife Financial Corporation	2.2
Canadian Natural Resources Ltd.	2.2
TELUS Corp.	2.1
National Bank of Canada	1.8
Dollarama Inc.	1.8
Canadian National Railway Co.	1.6
Parex Resources Inc.	1.6
Pembina Pipeline Corp.	1.5
Valeant Pharmaceuticals International Inc.	1.5
BCE Inc.	1.5
Nutrien Ltd.	1.5
Teck Resources Ltd., Class B	1.2
Air Canada	1.2
Top 25 Holdings	65.4

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.



CANADIAN EQUITY FUND

**RBC QUBE LOW VOLATILITY
CANADIAN 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 Canadian companies using a quantitative approach. The Fund seeks to achieve a reduced level of volatility of returns compared with the broader Canadian equity market.

The Fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager will diversify across industries within the Canadian market.

Results of Operations

The Fund's net asset value was \$1.9 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.1%. 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.

The Canadian stock market posted modest gains in the first half of 2018, led by returns in the Energy and Information Technology sectors. However, domestic economic growth slowed and concern about trade protectionism intensified as the period progressed, leading the Bank of Canada to take a more cautious approach toward raising interest rates. The combination of rising borrowing costs, a weaker housing market and uncertainty about the future of the North American Free Trade Agreement conspired to dampen Canadian economic growth. Late in the period, President Trump imposed tariffs on Canadian steel and aluminum. Against this backdrop, equities have struggled to make the kind of headway that came so easily last year.

In the Financials sector, positions in Power Financial and Intact Financial held back the Fund's returns. The Utilities sector also weighed on performance, as a position in Hydro One had a large negative impact during the period.

In the Industrials sector, the Fund's overweight position in CAE added significantly to returns. Positions in the Information Technology sector also aided performance, with a large contribution coming from a holding in Constellation Software.

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 even higher. 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 rest of 2018. A scenario of strong economic growth is generally good for Canada's resources-reliant stock market.

There are several scenarios that could lead to a more negative outcome for Canadian 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 \$16,000 (2017 – \$81,000) or 5% (2017 – 20%) 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	Total		
Series A													
June 30, 2018	13.60	0.22	(0.12)	0.18	(0.32)	(0.04)	—	—	—	—	—	13.61	
Dec. 31, 2017	13.25	0.42	(0.26)	0.55	0.11	0.82	—	(0.12)	(0.36)	—	(0.48)	13.60	
Dec. 31, 2016	12.09	0.42	(0.25)	0.63	0.78	1.58	(0.02)	(0.14)	(0.40)	—	(0.56)	13.25	
Dec. 31, 2015	12.74	0.37	(0.26)	0.24	(0.80)	(0.45)	(0.01)	(0.07)	(0.20)	—	(0.28)	12.09	
Dec. 31, 2014	11.34	0.41	(0.26)	0.77	1.20	2.12	(0.01)	(0.09)	(0.59)	—	(0.69)	12.74	
Dec. 31, 2013	10.30	0.39	(0.22)	0.17	1.03	1.37	(0.01)	(0.06)	(0.12)	—	(0.19)	11.34	
Advisor Series													
June 30, 2018	13.53	0.22	(0.12)	0.18	(0.30)	(0.02)	—	—	—	—	—	13.55	
Dec. 31, 2017	13.18	0.42	(0.25)	0.55	0.11	0.83	—	(0.12)	(0.36)	—	(0.48)	13.53	
Dec. 31, 2016	12.02	0.42	(0.25)	0.62	0.71	1.50	(0.02)	(0.14)	(0.40)	—	(0.56)	13.18	
Dec. 31, 2015	12.68	0.38	(0.25)	0.24	(0.80)	(0.43)	(0.01)	(0.07)	(0.21)	—	(0.29)	12.02	
Dec. 31, 2014	11.35	0.41	(0.24)	0.77	1.20	2.14	(0.02)	(0.14)	(0.61)	—	(0.77)	12.68	
Dec. 31, 2013	10.30	0.33	(0.22)	0.14	0.86	1.11	(0.01)	(0.06)	(0.12)	—	(0.19)	11.34	
Series T5													
June 30, 2018	13.36	0.21	(0.12)	0.18	(0.27)	—	—	(0.33)	—	(0.07)	(0.40)	13.03	
Dec. 31, 2017	13.21	0.42	(0.25)	0.54	0.10	0.81	(0.01)	(0.13)	(0.38)	(0.14)	(0.66)	13.36	
Dec. 31, 2016 ³	11.62 [†]	0.38	(0.24)	0.56	0.46	1.16	(0.02)	(0.11)	(0.44)	—	(0.57)	13.21	
Series D													
June 30, 2018	13.72	0.22	(0.07)	0.19	(0.31)	0.03	—	—	—	—	—	13.79	
Dec. 31, 2017	13.37	0.43	(0.14)	0.56	0.10	0.95	(0.01)	(0.23)	(0.37)	—	(0.61)	13.72	
Dec. 31, 2016	12.20	0.43	(0.15)	0.64	0.82	1.74	(0.04)	(0.24)	(0.40)	—	(0.68)	13.37	
Dec. 31, 2015	12.86	0.38	(0.15)	0.24	(0.81)	(0.34)	(0.02)	(0.16)	(0.21)	—	(0.39)	12.20	
Dec. 31, 2014	11.41	0.41	(0.15)	0.78	1.21	2.25	(0.01)	(0.14)	(0.61)	—	(0.76)	12.86	
Dec. 31, 2013	10.30	0.43	(0.13)	0.18	1.13	1.61	(0.01)	(0.10)	(0.12)	—	(0.23)	11.40	
Series F													
June 30, 2018	13.48	0.22	(0.05)	0.18	(0.23)	0.12	—	—	—	—	—	13.56	
Dec. 31, 2017	13.13	0.42	(0.10)	0.54	0.15	1.01	(0.01)	(0.27)	(0.36)	—	(0.64)	13.48	
Dec. 31, 2016	11.98	0.42	(0.11)	0.62	0.67	1.60	(0.04)	(0.27)	(0.40)	—	(0.71)	13.13	
Dec. 31, 2015	12.64	0.37	(0.11)	0.23	(0.79)	(0.30)	(0.02)	(0.20)	(0.21)	—	(0.43)	11.98	
Dec. 31, 2014	11.36	0.41	(0.11)	0.78	1.21	2.29	(0.03)	(0.29)	(0.64)	—	(0.96)	12.64	
Dec. 31, 2013	10.31	0.43	(0.10)	0.19	1.13	1.65	(0.02)	(0.18)	(0.12)	—	(0.32)	11.35	
Series FT5													
June 30, 2018	13.39	0.21	(0.05)	0.18	(0.14)	0.20	—	(0.34)	—	—	(0.34)	13.13	
Dec. 31, 2017	13.26	0.40	(0.10)	0.52	0.52	1.34	(0.02)	(0.25)	(0.58)	—	(0.85)	13.39	
Dec. 31, 2016 ³	11.53 [†]	0.38	(0.10)	0.56	0.99	1.83	(0.03)	(0.20)	(0.32)	—	(0.55)	13.26	



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	Total	
		Series O										
June 30, 2018	14.66	0.24	—	0.20	(0.31)	0.13	—	—	—	—	—	14.81
Dec. 31, 2017	14.29	0.46	—	0.60	0.15	1.21	(0.02)	(0.39)	(0.40)	—	(0.81)	14.66
Dec. 31, 2016	13.03	0.47	—	0.69	1.01	2.17	(0.06)	(0.39)	(0.43)	—	(0.88)	14.29
Dec. 31, 2015	13.75	0.41	—	0.26	(0.87)	(0.20)	(0.03)	(0.32)	(0.23)	—	(0.58)	13.03
Dec. 31, 2014	12.29	0.44	—	0.84	1.31	2.59	(0.04)	(0.39)	(0.67)	—	(1.10)	13.75
Dec. 31, 2013	11.11	0.42	—	0.18	1.10	1.70	(0.03)	(0.24)	(0.12)	—	(0.39)	12.29

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 January 25, 2016.

[†] 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	13.61	128 588	9 446	1.88	1.88	50.73	0.03
Dec. 31, 2017	13.60	145 765	10 719	1.88	1.88	48.12	0.05
Dec. 31, 2016	13.25	116 093	8 764	1.94 ⁴	1.94	60.40	0.06
Dec. 31, 2015	12.09	45 115	3 733	2.04	2.04	34.78	0.04
Dec. 31, 2014	12.74	25 574	2 007	2.05	2.05	51.57	0.03
Dec. 31, 2013	11.34	9 339	823	2.05	2.05	40.52	0.03
Advisor Series							
June 30, 2018	13.55	18 996	1 402	1.85	1.85	50.73	0.03
Dec. 31, 2017	13.53	22 192	1 640	1.85	1.85	48.12	0.05
Dec. 31, 2016	13.18	20 037	1 520	1.87 ⁴	1.87	60.40	0.06
Dec. 31, 2015	12.02	3 938	328	1.97	1.97	34.78	0.04
Dec. 31, 2014	12.68	3 056	241	1.96	1.96	51.57	0.03
Dec. 31, 2013	11.35	2 313	204	1.98	1.98	40.52	0.03
Series T5							
June 30, 2018	13.03	878	67	1.86	1.86	50.73	0.03
Dec. 31, 2017	13.36	922	69	1.89	1.89	48.12	0.05
Dec. 31, 2016 ⁵	13.21	851	64	1.94 ⁴	1.94	60.40	0.06
Series D							
June 30, 2018	13.79	31 357	2 274	1.03	1.03	50.73	0.03
Dec. 31, 2017	13.72	34 613	2 523	1.03	1.03	48.12	0.05
Dec. 31, 2016	13.37	29 197	2 184	1.09 ⁴	1.09	60.40	0.06
Dec. 31, 2015	12.20	10 350	848	1.21	1.21	34.78	0.04
Dec. 31, 2014	12.86	7 752	603	1.19	1.19	51.57	0.03
Dec. 31, 2013	11.41	2 171	190	1.18	1.18	40.52	0.03



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 F							
June 30, 2018	13.56	85 542	6 307	0.77	0.77	50.73	0.03
Dec. 31, 2017	13.48	78 772	5 846	0.77	0.77	48.12	0.05
Dec. 31, 2016	13.13	39 892	3 038	0.79 ⁴	0.79	60.40	0.06
Dec. 31, 2015	11.98	3 045	254	0.91	0.91	34.78	0.04
Dec. 31, 2014	12.64	1 321	105	0.90	0.90	51.57	0.03
Dec. 31, 2013	11.36	1 220	107	0.90	0.90	40.52	0.03
Series FT5							
June 30, 2018	13.13	1 793	137	0.78	0.78	50.73	0.03
Dec. 31, 2017	13.39	1 224	91	0.77	0.77	48.12	0.05
Dec. 31, 2016 ⁵	13.26	180	14	0.79 ⁴	0.79	60.40	0.06
Series O							
June 30, 2018	14.81	1 622 293	109 563	0.02	0.02	50.73	0.03
Dec. 31, 2017	14.66	1 814 944	123 831	0.02	0.02	48.12	0.05
Dec. 31, 2016	14.29	1 533 387	107 305	0.02	0.02	60.40	0.06
Dec. 31, 2015	13.03	1 214 143	93 160	0.02	0.02	34.78	0.04
Dec. 31, 2014	13.75	830 140	60 389	0.02	0.02	51.57	0.03
Dec. 31, 2013	12.29	672 183	54 672	0.02	0.02	40.52	0.03

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 T5, Series D, Series F and Series FT5 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 – 1.88%, Advisor Series – 1.82%, Series T5 – 1.92%, Series D – 1.03%, Series F – 0.76% and Series FT5 – 0.79%.

⁵ From January 25, 2016.

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%	57%	43%
Advisor Series	1.60%	57%	43%
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.

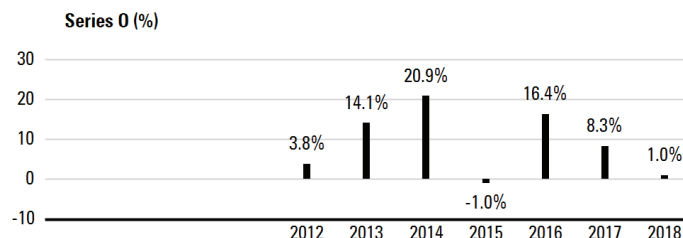
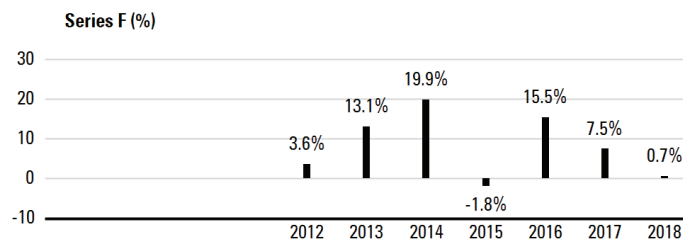
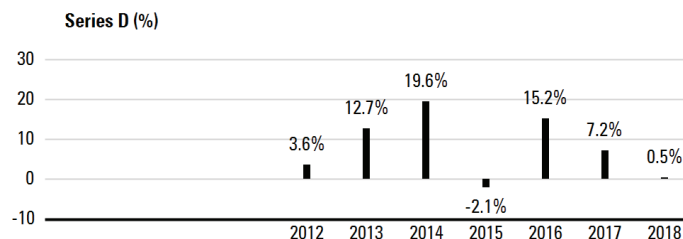
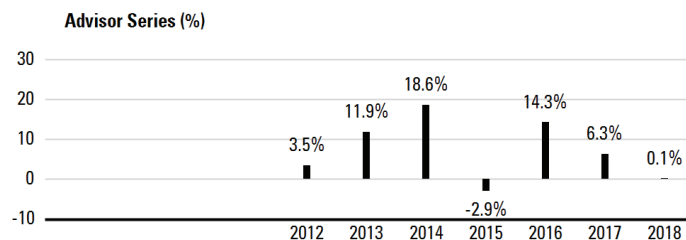
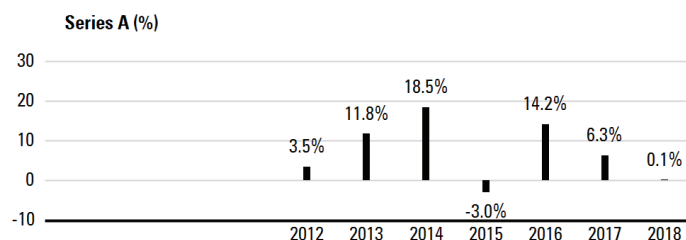


PAST PERFORMANCE

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 T5 and Series FT5 units have been available for sale to unitholders since January 25, 2016, and Series A, Advisor Series, Series D, Series F and Series O units since November 19, 2012.

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
Financials	24.6
Consumer Staples	14.2
Industrials	10.0
Utilities	9.7
Real Estate	9.5
Telecommunication Services	8.2
Energy	6.3
Consumer Discretionary	5.6
Information Technology	5.3
Materials	4.3
Health Care	1.7
Cash/Other	0.6

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	5.0
Bank of Nova Scotia	4.9
Bank of Montreal	4.4
TELUS Corp.	4.0
Canadian National Railway Co.	4.0
George Weston Ltd.	4.0
Saputo Group Inc.	3.9
Constellation Software Inc.	3.9
Hydro One Ltd.	3.9
BCE Inc.	3.9
Metro Inc., Class A	3.6
CAE Inc.	3.5
Power Financial Corp.	3.5
Imperial Oil Ltd.	3.4
RioCan Real Estate Investment Trust	3.1
Intact Financial Corp.	2.7
Suncor Energy Inc.	2.3
Wheaton Precious Metals Corp.	2.2
Toronto-Dominion Bank	2.2
Maple Leaf Foods Inc.	2.0
Magna International Inc., Class A	2.0
First Capital Realty Inc.	1.8
H&R Real Estate Investment Trust	1.7
Dollarama Inc.	1.6
Shaw Communications Inc., Class B	1.5
Top 25 Holdings	79.0

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.



CANADIAN EQUITY FUND

RBC TREND CANADIAN 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 Canadian companies and short-term fixed-income securities.

To achieve the Fund's objectives, the portfolio manager uses a systematic quantitative investment model designed to select stocks based on criteria related to their historical price patterns and volatility characteristics. The Fund invests primarily in large-cap Canadian equities although the portfolio manager may take advantage of attractive opportunities in mid-cap and small-cap companies.

Results of Operations

The Fund's net asset value was \$43 million as of June 30, 2018.

Over the past six months, the Fund's Series A units were unchanged. 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.

Canadian equities posted gains during the first half of 2018, slightly trailing the U.S. but outperforming other developed markets, as higher crude-oil prices offset concerns around trade protectionism and higher inflation and interest rates. The rise in oil benefited Canada overall, especially in the final three months of 2018's first half. Interest-rate-sensitive sectors such as Telecommunication Services and Utilities underperformed as they generally fall when bond yields rise.

Within the Fund, stock selection was positive in six of the 11 industry sectors, with the largest contributions to performance coming from security selection in the Industrials, Real Estate and Information Technology sectors. Conversely, the Financials, Utilities and Consumer Staples sectors held back returns the most.

Top stock contributors were Stars Group, Dream Global REIT and Constellation Software, while positions in TransCanada, CI Financial and Alimentation Couche-Tard had a negative impact.

The Fund's allocation to equities varied over the first half of the year but finished lower than where it began the year. Sector exposure also fluctuated, with large decreases in weightings in the Financials and Utilities sectors and a modest increase in allocation to the Information Technology sector.

The number of equity holdings in the portfolio decreased since the beginning of the year. Notably, the Fund sold positions in Intact Financial, CI Financial and Manulife Financial, contributing to the lower Financials-sector exposure. Sales in the Utilities sector included Canadian Utilities, ATCO and TransAlta.

As of June 30, 2018, 63% of the Fund was invested in Canadian equities and 35% in short-term fixed income. The remaining 2% was held in cash. Portfolio turnover was high for the Fund given the portfolio manager's model-driven investment process.

Recent Developments

The bulk of equity gains in recent quarters has been driven by strong corporate profits, which continue to grow at a good clip by post-crisis standards. Stocks in the U.S. are not as cheap as when this bull market began, but it would not be unreasonable to expect further gains as long as profits continue to rise and the U.S. Federal Reserve (the "Fed") raises rates at a measured pace. On the other hand, equities in Canada remain attractively priced.

In the U.S., the Fed has hiked short-term interest rates twice so far in 2018, while the Bank of Canada has hiked them once. The portfolio manager continues to expect the pace of interest rate increases in Canada to continue lagging those in the U.S., given uncertainty regarding negotiations linked to the North American Free Trade Agreement as well as continued tariffs and protectionist policies by President Trump.

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 \$20,000 (2017 – \$4,000) or 37% (2017 – 14%) 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	Total		
Series A													
June 30, 2018	10.20	0.14	(0.09)	(0.07)	(0.01)	(0.03)	—	—	—	—	—	10.20	
Dec. 31, 2017	9.77	0.32	(0.18)	(0.25)	0.55	0.44	—	(0.04)	—	—	(0.04)	10.20	
Dec. 31, 2016 ³	10.00 [†]	0.01	(0.02)	—	0.08	0.07	—	—	—	(0.32)	(0.32)	9.77	
Advisor Series													
June 30, 2018	10.20	0.14	(0.09)	(0.07)	(0.03)	(0.05)	—	—	—	—	—	10.19	
Dec. 31, 2017	9.77	0.31	(0.19)	(0.24)	0.54	0.42	—	(0.03)	—	—	(0.03)	10.20	
Dec. 31, 2016 ³	10.00 [†]	—	(0.02)	—	0.04	0.02	—	—	—	(0.32)	(0.32)	9.77	
Series D													
June 30, 2018	10.12	0.14	(0.05)	(0.07)	—	0.02	—	—	—	—	—	10.16	
Dec. 31, 2017	9.69	0.31	(0.11)	(0.24)	0.54	0.50	—	(0.12)	—	—	(0.12)	10.12	
Dec. 31, 2016 ³	10.00 [†]	0.01	(0.01)	—	0.11	0.11	—	—	—	(0.41)	(0.41)	9.69	
Series F													
June 30, 2018	10.10	0.14	(0.04)	(0.07)	(0.06)	(0.03)	—	—	—	—	—	10.15	
Dec. 31, 2017	9.67	0.29	(0.08)	(0.23)	0.52	0.50	—	(0.15)	—	—	(0.15)	10.10	
Dec. 31, 2016 ³	10.00 [†]	—	(0.01)	—	0.09	0.08	—	—	—	(0.43)	(0.43)	9.67	
Series O													
June 30, 2018	9.98	0.14	—	(0.07)	0.02	0.09	—	—	—	—	—	10.06	
Dec. 31, 2017	9.53	0.48	—	(0.38)	1.17	1.27	—	(0.22)	—	—	(0.22)	9.98	
Dec. 31, 2016 ⁴	9.94 [†]	1.05	(0.01)	0.04	(0.45)	0.63	—	(0.01)	—	(1.03)	(1.04)	9.53	

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 November 28, 2016.

⁴ From September 22, 2014. Although Series O units of the Fund were created in September 2014, units were not offered for sale under a simplified prospectus until November 14, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	10.20	12 124	1 189	1.86	1.86	103.36	0.22
Dec. 31, 2017	10.20	14 833	1 454	1.85	1.85	72.77	0.13
Dec. 31, 2016 ⁴	9.77	10 855	1 111	1.92	1.93	33.14	0.04
Advisor Series							
June 30, 2018	10.19	2 423	238	1.87	1.87	103.36	0.22
Dec. 31, 2017	10.20	2 900	284	1.89	1.89	72.77	0.13
Dec. 31, 2016 ⁴	9.77	1 132	116	1.92	1.93	33.14	0.04
Series D							
June 30, 2018	10.16	923	91	1.08	1.08	103.36	0.22
Dec. 31, 2017	10.12	988	98	1.08	1.08	72.77	0.13
Dec. 31, 2016 ⁴	9.69	544	56	1.07	1.08	33.14	0.04
Series F							
June 30, 2018	10.15	27 057	2 666	0.80	0.80	103.36	0.22
Dec. 31, 2017	10.10	39 021	3 863	0.80	0.80	72.77	0.13
Dec. 31, 2016 ⁴	9.67	5 455	564	0.79	0.80	33.14	0.04
Series O							
June 30, 2018	10.06	1	—	0.06	0.06	103.36	0.22
Dec. 31, 2017	9.98	1	—	0.04	0.04	72.77	0.13
Dec. 31, 2016 ⁵	9.53	552	58	0.02	0.03	33.14	0.04

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 From November 28, 2016.

⁵ From September 22, 2014. Although Series O units of the Fund were created in September 2014, units were not offered for sale under a simplified prospectus until November 14, 2016.

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%	63%	37%
Advisor Series	1.60%	63%	37%
Series D	0.85%	29%	71%
Series F	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 O (%)



Series A, Advisor Series, Series D and Series F units have been available for sale to unitholders since November 28, 2016, and Series O units since November 14, 2016.

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
Canadian Short Term Bond Index Fund	35.0
Real Estate	12.1
Industrials	11.4
Financials	9.9
Materials	5.7
Utilities	5.5
Energy	5.3
Information Technology	4.2
Consumer Discretionary	3.8
Consumer Staples	2.6
Telecommunication Services	1.3
Health Care	1.0
Cash/Other	2.2

Top 25 Holdings

	% of Net Asset Value
iShares Core Canadian Short Term Bond Index Fund	35.0
Cash & Cash Equivalents	2.1
National Bank of Canada	1.4
Toronto-Dominion Bank	1.4
H&R Real Estate Investment Trust	1.3
Bank of Montreal	1.3
TELUS Corp.	1.3
Crombie Real Estate Investment Trust	1.2
CGI Group Inc., Class A	1.2
Northland Power Inc.	1.1
Artis Real Estate Investment Trust	1.1
Canadian Apartment Properties Real Estate Investment Trust	1.1
Morneau Shepell Inc.	1.1
Great-West Lifeco Inc.	1.1
Brookfield Renewable Partners LP	1.1
Bank of Nova Scotia	1.1
Dream Office Real Estate Investment Trust	1.0
Chartwell Retirement Residences Real Estate Investment Trust	1.0
Granite Real Estate Investment Trust	0.9
Northview Apartment Real Estate Investment Trust	0.9
Capital Power Corp.	0.9
Sun Life Financial Inc.	0.9
Waste Connections Inc.	0.9
FirstService Corp.	0.9
Innervex Renewable Energy Inc.	0.9
Top 25 Holdings	62.2

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.



CANADIAN EQUITY FUND

RBC VISION CANADIAN 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 provides the potential for long-term capital growth by investing primarily in equity securities of Canadian companies and follows a socially responsible approach to investing. Investments that qualify for inclusion in the Fund must possess strong environmental, social and governance practices relative to industry peers, as defined by Sustainalytics Best-of-Sector™ methodology.

Results of Operations

The Fund's net asset value was \$187 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.3%. 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.

The Canadian stock market posted modest gains in the first half of 2018, led by returns in the Energy and Information Technology sectors. However, domestic economic growth slowed and concern about trade protectionism intensified as the period progressed, leading the Bank of Canada to take a more cautious approach toward raising interest rates. The combination of rising borrowing costs, a weaker housing market and uncertainty about the future of the North American Free Trade Agreement conspired to dampen Canadian economic growth. Late in the period, President Trump imposed tariffs on Canadian steel and aluminum. Against this backdrop, equities struggled to make the kind of headway that came so easily last year.

In the Energy sector, positions in Raging River Exploration and Seven Generations Energy held back the Fund's returns. The Financials sector also weighed on performance, as a position in Element Fleet Management had a large negative impact during the period.

In the Industrials sector, a position in Badger Daylighting added significantly to returns. Various positions in the Information Technology sector also aided performance, with a large contribution from a holding in CGI Corp.

Sustainalytics conducted one review covering the Fund's holdings in 2018. Eligibility was determined in relation to the Environmental, Social and Governance ("ESG") criteria developed by RBC GAM in consultation with Sustainalytics. In the opinion of Sustainalytics, all holdings in the Fund were eligible in the latest review, based on the above criteria. However, during the year, one company was removed from the Fund as it no longer met certain ESG criteria.

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 even higher. 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 rest of 2018. A scenario of strong economic growth is generally good for Canada's resources-reliant stock market.

There are several scenarios that could lead to a more negative outcome for Canadian 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.

™ Best-of-Sector is a trademark of Sustainalytics. Used under licence.



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 \$5,000 (2017 – \$1,000) or 10% (2017 – 17%) 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	Total	
Series A												
June 30, 2018	13.97	0.19	(0.13)	0.11	(0.15)	0.02	—	—	—	—	—	14.02
Dec. 31, 2017	13.26	0.61	(0.26)	0.68	(0.11)	0.92	—	—	(0.18)	—	(0.18)	13.97
Dec. 31, 2016	11.19	0.34	(0.24)	0.08	1.93	2.11	—	(0.06)	—	—	(0.06)	13.26
Dec. 31, 2015	12.26	0.37	(0.25)	0.40	(1.53)	(1.01)	—	(0.04)	(0.02)	—	(0.06)	11.19
Dec. 31, 2014	11.23	0.32	(0.26)	0.20	0.71	0.97	—	(0.01)	—	—	(0.01)	12.26
Dec. 31, 2013	9.87	0.31	(0.22)	0.21	1.07	1.37	—	(0.04)	—	—	(0.04)	11.22
Advisor Series												
June 30, 2018	14.01	0.19	(0.13)	0.11	(0.10)	0.07	—	—	—	—	—	14.06
Dec. 31, 2017	13.31	0.55	(0.26)	0.61	0.14	1.04	—	(0.01)	(0.18)	—	(0.19)	14.01
Dec. 31, 2016	11.22	0.34	(0.24)	0.08	1.91	2.09	—	(0.06)	—	—	(0.06)	13.31
Dec. 31, 2015	12.30	0.37	(0.25)	0.40	(1.53)	(1.01)	—	(0.05)	(0.02)	—	(0.07)	11.22
Dec. 31, 2014	11.26	0.32	(0.25)	0.20	0.71	0.98	—	(0.01)	—	—	(0.01)	12.30
Dec. 31, 2013	9.90	0.31	(0.21)	0.21	1.07	1.38	—	(0.04)	—	—	(0.04)	11.25
Series D												
June 30, 2018	14.47	0.19	(0.07)	0.12	(0.17)	0.07	—	—	—	—	—	14.58
Dec. 31, 2017	13.80	0.34	(0.15)	0.38	0.99	1.56	(0.01)	(0.17)	(0.19)	—	(0.37)	14.47
Dec. 31, 2016	11.64	0.36	(0.14)	0.09	1.93	2.24	—	(0.18)	—	—	(0.18)	13.80
Dec. 31, 2015	12.76	0.38	(0.15)	0.42	(1.60)	(0.95)	—	(0.15)	(0.02)	—	(0.17)	11.64
Dec. 31, 2014	11.68	0.33	(0.15)	0.21	0.74	1.13	—	(0.12)	—	—	(0.12)	12.76
Dec. 31, 2013	10.27	0.32	(0.13)	0.22	1.11	1.52	—	(0.13)	—	—	(0.13)	11.68
Series F												
June 30, 2018	14.61	0.20	(0.05)	0.12	(0.07)	0.20	—	—	—	—	—	14.74
Dec. 31, 2017	13.95	0.50	(0.11)	0.56	0.48	1.43	(0.01)	(0.24)	(0.19)	—	(0.44)	14.61
Dec. 31, 2016	11.78	0.36	(0.11)	0.09	2.10	2.44	—	(0.22)	—	—	(0.22)	13.95
Dec. 31, 2015	12.90	0.39	(0.12)	0.42	(1.62)	(0.93)	—	(0.18)	(0.02)	—	(0.20)	11.78
Dec. 31, 2014	11.84	0.34	(0.12)	0.21	0.75	1.18	—	(0.19)	—	—	(0.19)	12.90
Dec. 31, 2013	10.39	0.33	(0.10)	0.22	1.13	1.58	—	(0.15)	—	—	(0.15)	11.84
Series O												
June 30, 2018	10.02	0.13	—	0.08	(0.05)	0.16	—	—	—	—	—	10.14
Dec. 31, 2017 ³	10.00 [†]	0.11	—	0.12	0.59	0.82	(0.01)	(0.31)	(0.13)	—	(0.45)	10.02

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 May 19, 2017.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	14.02	31 285	2 229	1.87	1.87	25.72	0.06
Dec. 31, 2017	13.97	33 102	2 369	1.90 ⁴	1.90	22.44	0.06
Dec. 31, 2016	13.26	29 974	2 261	2.00 ⁵	2.01	20.44	0.05
Dec. 31, 2015	11.19	26 731	2 389	2.09	2.10	31.91	0.08
Dec. 31, 2014	12.26	30 631	2 498	2.09	2.10	31.99	0.08
Dec. 31, 2013	11.23	26 752	2 383	2.10	2.10	45.26	0.10
Advisor Series							
June 30, 2018	14.06	5 459	388	1.87	1.87	25.72	0.06
Dec. 31, 2017	14.01	5 223	373	1.88	1.88	22.44	0.06
Dec. 31, 2016	13.31	3 731	280	1.95 ⁵	1.96	20.44	0.05
Dec. 31, 2015	11.22	3 709	330	2.03	2.04	31.91	0.08
Dec. 31, 2014	12.30	4 080	332	2.02	2.03	31.99	0.08
Dec. 31, 2013	11.26	4 139	368	2.04	2.04	45.26	0.10
Series D							
June 30, 2018	14.58	24 045	1 647	1.03	1.03	25.72	0.06
Dec. 31, 2017	14.47	25 722	1 777	1.05	1.05	22.44	0.06
Dec. 31, 2016	13.80	2 869	208	1.13 ⁵	1.14	20.44	0.05
Dec. 31, 2015	11.64	2 594	223	1.21	1.22	31.91	0.08
Dec. 31, 2014	12.76	2 527	198	1.20	1.21	31.99	0.08
Dec. 31, 2013	11.68	1 639	140	1.21	1.21	45.26	0.10
Series F							
June 30, 2018	14.74	7 870	533	0.77	0.77	25.72	0.06
Dec. 31, 2017	14.61	6 642	455	0.77	0.77	22.44	0.06
Dec. 31, 2016	13.95	2 349	168	0.85 ⁵	0.86	20.44	0.05
Dec. 31, 2015	11.78	1 619	137	0.94	0.95	31.91	0.08
Dec. 31, 2014	12.90	1 572	122	0.94	0.95	31.99	0.08
Dec. 31, 2013	11.84	1 641	139	0.96	0.96	45.26	0.10
Series O							
June 30, 2018	10.14	119 005	11 719	0.02	0.02	25.72	0.06
Dec. 31, 2017 ⁶	10.02	105 303	10 514	0.02	0.02	22.44	0.06

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, 2017, the administration fees were changed in respect of Series A units of the Fund. If the changes to the administration fees would have been in effect throughout 2017, the adjusted MER for each series of the Fund would be: Series A – 1.87%.

⁵ 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 – 1.92%, Advisor Series – 1.87%, Series D – 1.05% and Series F – 0.78%.

⁶ From May 19, 2017.



FINANCIAL HIGHLIGHTS (cont.)

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 D	0.85%	25%	75%
Series F	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.

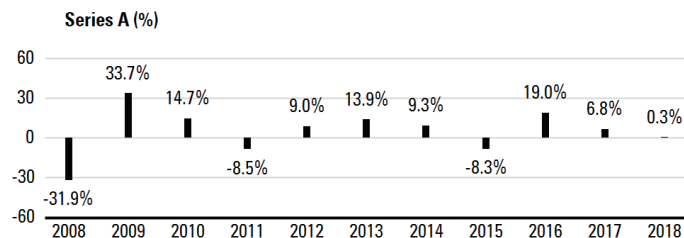
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

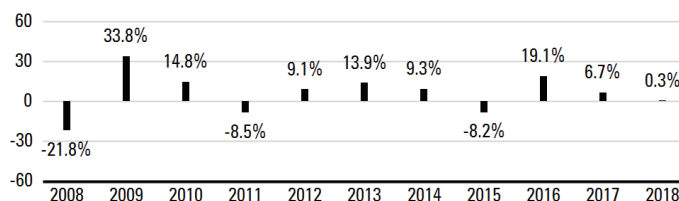
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

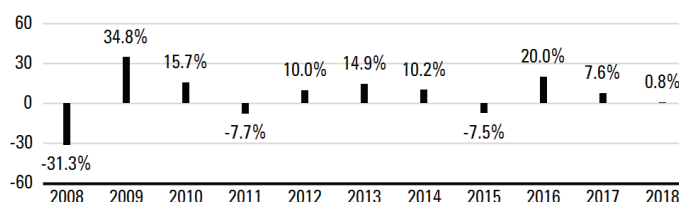
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



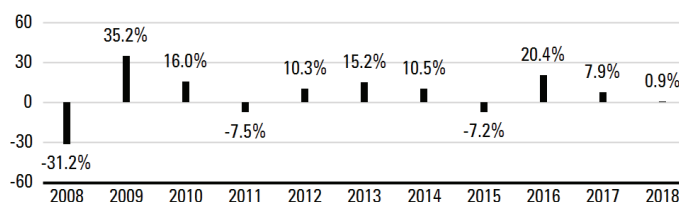
Advisor Series (%)



Series D (%)



Series F (%)



Series O (%)



Series O units have been available for sale to unitholders since May 19, 2017, and Advisor Series units since January 21, 2008.

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
Financials	37.1
Energy	20.2
Industrials	11.4
Materials	9.6
Consumer Discretionary	8.1
Information Technology	5.6
Real Estate	2.5
Utilities	2.4
Consumer Staples	1.1
Telecommunication Services	0.9
Cash/Other	1.1

Top 25 Holdings

	% of Net Asset Value
Toronto-Dominion Bank	7.8
Royal Bank of Canada	6.6
Bank of Nova Scotia	4.7
Enbridge Inc.	4.6
Brookfield Asset Management Inc., Class A	4.4
Canadian National Railway Co.	3.7
Manulife Financial Corporation	3.3
Canadian Natural Resources Ltd.	3.1
Bank of Montreal	2.9
Suncor Energy Inc.	2.8
CGI Group Inc., Class A	2.8
Canadian Imperial Bank of Commerce	2.2
Shaw Communications Inc., Class B	2.1
Open Text Corp.	1.8
Dollarama Inc.	1.8
TransCanada Corp.	1.7
Fortis Inc.	1.7
Waste Connections Inc.	1.7
Nutrien Ltd.	1.7
Quebecor Inc., Class B	1.4
Intact Financial Corp.	1.3
Encana Corp.	1.2
First Quantum Minerals Ltd.	1.2
Stantec Inc.	1.2
Thomson Corp.	1.1
Top 25 Holdings	68.8

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.



CANADIAN EQUITY FUND

RBC CANADIAN INDEX FUND

June 30, 2018

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

Sub-Advisor: State Street Global Advisors, Ltd.

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 currently seeks to provide long-term capital growth by tracking the performance of the FTSE Canada All Cap Domestic Index and investing primarily in equity securities in substantially the same proportion as the index, either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate of RBC GAM.

Results of Operations

The Fund's net asset value was \$773 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 1.7%. 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.

The S&P/TSX Composite Index comprises about 95% of the market capitalization of Canadian-based, Toronto Stock Exchange-listed companies. The index contained 246 issues as of June 30, 2018.

The best-performing sectors were Energy, Information Technology and Industrials. The worst-performing sectors were Financials, Utilities and Telecommunication Services.

Recent Developments

The sub-advisor has no recent developments to report.

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.

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	Total	
Series A												
June 30, 2018	30.37	0.45	(0.10)	0.68	(0.56)	0.47	—	—	—	—	—	30.88
Dec. 31, 2017	28.59	0.83	(0.20)	0.53	1.18	2.34	(0.01)	(0.56)	—	—	(0.57)	30.37
Dec. 31, 2016	24.28	0.79	(0.19)	(0.12)	4.39	4.87	—	(0.57)	—	—	(0.57)	28.59
Dec. 31, 2015	27.28	0.81	(0.19)	0.20	(3.22)	(2.40)	—	(0.56)	—	—	(0.56)	24.28
Dec. 31, 2014	25.34	0.78	(0.20)	0.57	1.33	2.48	—	(0.54)	—	—	(0.54)	27.28
Dec. 31, 2013	23.07	0.76	(0.17)	0.37	1.87	2.83	—	(0.58)	—	—	(0.58)	25.33
Series F												
June 30, 2018	11.25	0.17	(0.01)	0.25	(0.05)	0.36	—	—	—	—	—	11.47
Dec. 31, 2017	10.61	0.31	(0.03)	0.20	0.57	1.05	—	(0.27)	—	—	(0.27)	11.25
Dec. 31, 2016 ³	10.00 [†]	0.15	(0.03)	(0.02)	0.80	0.90	—	(0.23)	—	—	(0.23)	10.61

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 July 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	30.88	755 441	24 462	0.66	0.66	8.79	—
Dec. 31, 2017	30.37	773 029	25 452	0.69 ⁴	0.69	8.53	0.01
Dec. 31, 2016	28.59	712 717	24 931	0.72	0.72	5.58	—
Dec. 31, 2015	24.28	599 779	24 708	0.72	0.72	4.95	0.01
Dec. 31, 2014	27.28	680 908	24 962	0.72	0.72	7.80	—
Dec. 31, 2013	25.34	628 845	24 812	0.72	0.72	7.28	0.01
Series F							
June 30, 2018	11.47	17 549	1 530	0.16	0.16	8.79	—
Dec. 31, 2017	11.25	11 234	998	0.32 ⁴	0.32	8.53	0.01
Dec. 31, 2016 ⁵	10.61	3 875	365	0.56	0.56	5.58	—

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, 2017, the management fees were changed in respect of Series F units of the Fund and the administration fees were changed in respect of Series A units of the Fund. If the changes to the management fees and administration fees would have been in effect throughout 2017, the adjusted MER for each series of the Fund would be: Series A – 0.66% and Series F – 0.17%.

⁵ From July 4, 2016.

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	0.50%	20%	80%
Series F	0.05%	—	100%

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

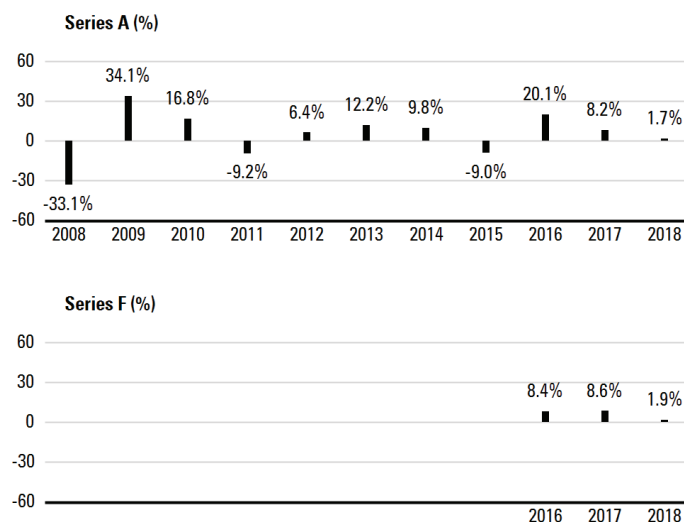


PAST PERFORMANCE

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 F units have been available for sale to unitholders since July 4, 2016.

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
Financials	34.5
Energy	20.8
Materials	11.6
Industrials	10.0
Consumer Discretionary	5.3
Telecommunication Services	4.4
Consumer Staples	3.6
Information Technology	3.2
Utilities	2.7
Real Estate	2.4
Health Care	1.3
Cash/Other	0.2

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	6.6
Toronto-Dominion Bank	6.5
Bank of Nova Scotia	4.2
Suncor Energy Inc.	4.0
Enbridge Inc.	3.7
Canadian National Railway Co.	3.6
Bank of Montreal	3.0
Canadian Natural Resources Ltd.	2.6
Canadian Imperial Bank of Commerce	2.3
TransCanada Corp.	2.3
Manulife Financial Corporation	2.2
BCE Inc.	2.1
Nutrien Ltd.	2.1
Brookfield Asset Management Inc., Class A	2.1
Canadian Pacific Railway Ltd.	1.6
Sun Life Financial Inc.	1.5
TELUS Corp.	1.3
Waste Connections Inc.	1.2
Magna International Inc., Class A	1.2
Alimentation Couche-Tard Inc.	1.1
Pembina Pipeline Corp.	1.1
Rogers Communications Inc., Class B	1.0
National Bank of Canada	1.0
CGI Group Inc., Class A	1.0
Constellation Software Inc.	0.9
Top 25 Holdings	60.2

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.



CANADIAN EQUITY FUND

**RBC O'SHAUGHNESSY
CANADIAN EQUITY FUND**

June 30, 2018

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

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

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.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term returns consisting of capital growth and current income by investing primarily in equity securities of Canadian and U.S. companies based on Strategy Indexing[®], an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

The Fund selects securities on the basis of several factors including valuation, momentum and return of capital to shareholders. Valuation is based on a variety of measures, including a company's market capitalization ratios and financial statement metrics. The Fund also selects securities based on momentum which may include six-month total return and nine-month total return. Return of capital to shareholders may include dividends and buybacks. The Fund may hold up to 30% of its assets in U.S. stocks and uses currency hedges to reduce exposure to changes in the Canadian dollar versus the U.S. dollar.

Results of Operations

The Fund's net asset value was \$695 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 3.0%. 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.

The S&P 500 Index outperformed other developed markets during the period, with equities in Europe and Japan declining in local-currency terms but positive when adjusted for a decline in the Canadian dollar. Canadian equities were up slightly. Commodity prices, including oil, appreciated during the period.

Overweight exposure to value, momentum and shareholder yield were the main contributors to return for the period. This was partially offset by overweight exposure to stocks with strong earnings quality, which hurt returns. The Fund's exposure to quality added to performance.

Sector allocation and selection effects contributed to performance. An overweight allocation to the Financials sector was the main contributor to returns. Additionally, an overweight allocation to the Consumer Discretionary sector and an underweight position in Telecommunication Services added to returns. Security selection in the Industrials and Information Technology sectors held back returns, and was a positive for the Materials and Health Care sectors. An allocation to West Fraser Timber and the absence of Enbridge in the portfolio were the largest contributors to performance. An allocation to Cogeco and the absence of Suncor Energy were the stock-selection decisions that hurt returns the most.

The Fund has a 20% allocation to U.S. securities. It is the policy of the Fund to maintain currency hedges at all times in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. This policy had a negative effect on returns during the period.

The sub-advisor increased allocations to the Information Technology and Energy sectors during the period and decreased allocations to the Financials sector.

Recent Developments

In January 2018, Patrick O'Shaughnessy was promoted to chief executive officer of O'Shaughnessy Asset Management, the sub-advisor of the Fund. Patrick O'Shaughnessy directs the firm's initiatives in research and portfolio management, investor education and client relationships. He reports to Jim O'Shaughnessy, the firm's chairman and chief investment officer.

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.

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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 \$1,000 (2017 – \$3,000) or 0% (2017 – 1%) 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	Total	
Series A												
June 30, 2018	22.03	0.24	(0.17)	0.67	(0.09)	0.65	—	—	—	—	—	22.69
Dec. 31, 2017	20.55	0.55	(0.32)	1.37	—	1.60	—	(0.16)	—	—	(0.16)	22.03
Dec. 31, 2016	18.85	0.57	(0.30)	0.89	0.74	1.90	—	(0.24)	—	—	(0.24)	20.55
Dec. 31, 2015	20.22	0.51	(0.31)	0.59	(1.96)	(1.17)	—	(0.14)	—	—	(0.14)	18.85
Dec. 31, 2014	18.94	0.46	(0.30)	2.36	(1.13)	1.39	—	(0.11)	—	—	(0.11)	20.22
Dec. 31, 2013	14.47	0.43	(0.26)	1.79	2.63	4.59	—	(0.16)	—	—	(0.16)	18.93
Advisor Series												
June 30, 2018	22.76	0.25	(0.17)	0.69	(0.09)	0.68	—	—	—	—	—	23.43
Dec. 31, 2017	21.23	0.57	(0.33)	1.41	0.06	1.71	—	(0.18)	—	—	(0.18)	22.76
Dec. 31, 2016	19.45	0.59	(0.31)	0.93	0.85	2.06	—	(0.25)	—	—	(0.25)	21.23
Dec. 31, 2015	20.87	0.53	(0.31)	0.61	(2.02)	(1.19)	—	(0.15)	—	—	(0.15)	19.45
Dec. 31, 2014	19.54	0.48	(0.31)	2.44	(1.17)	1.44	—	(0.11)	—	—	(0.11)	20.87
Dec. 31, 2013	14.87	0.45	(0.26)	1.86	2.73	4.78	—	(0.10)	—	—	(0.10)	19.53
Series D												
June 30, 2018	22.24	0.24	(0.13)	0.67	(0.07)	0.71	—	—	—	—	—	22.94
Dec. 31, 2017	20.75	0.55	(0.26)	1.38	0.04	1.71	(0.01)	(0.23)	—	—	(0.24)	22.24
Dec. 31, 2016	19.03	0.58	(0.24)	0.90	0.78	2.02	—	(0.31)	—	—	(0.31)	20.75
Dec. 31, 2015	20.41	0.52	(0.24)	0.60	(1.98)	(1.10)	—	(0.21)	—	—	(0.21)	19.03
Dec. 31, 2014	19.12	0.47	(0.24)	2.39	(1.14)	1.48	—	(0.18)	—	—	(0.18)	20.41
Dec. 31, 2013	14.58	0.44	(0.20)	1.81	2.66	4.71	—	(0.20)	—	—	(0.20)	19.11
Series F												
June 30, 2018	22.04	0.24	(0.10)	0.67	(0.06)	0.75	—	—	—	—	—	22.76
Dec. 31, 2017	20.56	0.55	(0.20)	1.38	0.25	1.98	(0.01)	(0.30)	—	—	(0.31)	22.04
Dec. 31, 2016	18.85	0.58	(0.19)	0.91	0.73	2.03	—	(0.36)	—	—	(0.36)	20.56
Dec. 31, 2015	20.22	0.52	(0.19)	0.59	(1.97)	(1.05)	—	(0.26)	—	—	(0.26)	18.85
Dec. 31, 2014	18.94	0.46	(0.19)	2.37	(1.13)	1.51	—	(0.22)	—	—	(0.22)	20.22
Dec. 31, 2013	14.43	0.43	(0.16)	1.79	2.64	4.70	—	(0.24)	—	—	(0.24)	18.92

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.



FINANCIAL HIGHLIGHTS (cont.)

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	22.69	597 701	26 346	1.54	1.54	65.39	0.09
Dec. 31, 2017	22.03	630 355	28 610	1.54	1.54	61.37	0.12
Dec. 31, 2016	20.55	677 605	32 967	1.54	1.54	58.90	0.13
Dec. 31, 2015	18.85	719 841	38 193	1.54	1.54	59.39	0.10
Dec. 31, 2014	20.22	890 504	44 041	1.54	1.54	63.92	0.11
Dec. 31, 2013	18.94	929 987	49 093	1.55	1.55	65.38	0.12
Advisor Series							
June 30, 2018	23.43	1 885	80	1.50	1.50	65.39	0.09
Dec. 31, 2017	22.76	2 052	90	1.50	1.50	61.37	0.12
Dec. 31, 2016	21.23	2 067	97	1.51	1.51	58.90	0.13
Dec. 31, 2015	19.45	1 754	90	1.51	1.51	59.39	0.10
Dec. 31, 2014	20.87	2 392	115	1.51	1.51	63.92	0.11
Dec. 31, 2013	19.54	1 949	100	1.51	1.51	65.38	0.12
Series D							
June 30, 2018	22.94	48 012	2 093	1.21	1.21	65.39	0.09
Dec. 31, 2017	22.24	46 947	2 111	1.21	1.21	61.37	0.12
Dec. 31, 2016	20.75	47 622	2 295	1.21	1.21	58.90	0.13
Dec. 31, 2015	19.03	46 176	2 427	1.21	1.21	59.39	0.10
Dec. 31, 2014	20.41	50 500	2 474	1.21	1.21	63.92	0.11
Dec. 31, 2013	19.12	44 712	2 338	1.21	1.21	65.38	0.12
Series F							
June 30, 2018	22.76	47 676	2 095	0.92	0.92	65.39	0.09
Dec. 31, 2017	22.04	33 884	1 538	0.94	0.94	61.37	0.12
Dec. 31, 2016	20.56	15 531	755	0.95	0.95	58.90	0.13
Dec. 31, 2015	18.85	6 192	328	0.94	0.94	59.39	0.10
Dec. 31, 2014	20.22	6 095	301	0.94	0.94	63.92	0.11
Dec. 31, 2013	18.94	5 142	272	0.94	0.94	65.38	0.12

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.

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	1.25%	52%	48%
Advisor Series	1.25%	52%	48%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%

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

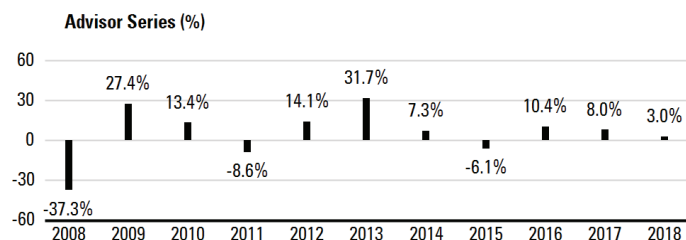
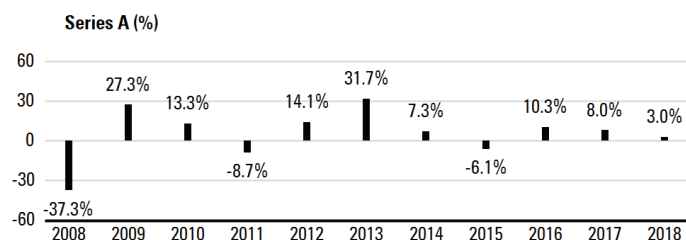


PAST PERFORMANCE

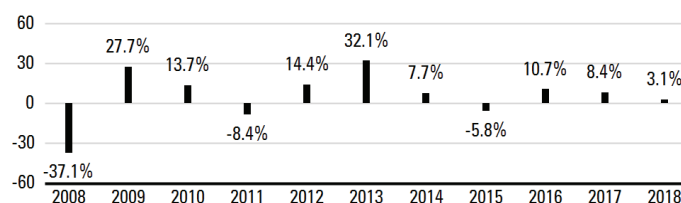
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

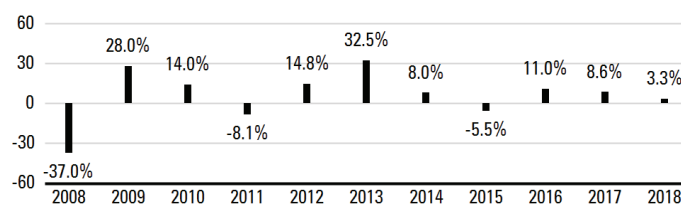
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series D (%)



Series F (%)



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
Foreign Equities	19.2
Materials	19.1
Financials	16.8
Consumer Discretionary	11.3
Consumer Staples	8.5
Industrials	7.0
Energy	5.9
Real Estate	4.5
Information Technology	3.9
Health Care	2.0
Telecommunication Services	1.1
Utilities	0.3
Cash/Other	0.4

Top 25 Holdings

	% of Net Asset Value
Sun Life Financial Inc.	3.8
Methanex Corp.	3.5
Teck Resources Ltd., Class B	3.3
Express Scripts Holding Co.	2.7
Canadian Tire Corp. Ltd., Class A	2.6
Air Canada	2.5
National Bank of Canada	2.1
Great-West Lifeco Inc.	2.0
Loblaw Companies Ltd.	2.0
West Fraser Timber Co. Ltd.	2.0
Valeant Pharmaceuticals International Inc.	2.0
Metro Inc., Class A	2.0
Lundin Mining Corp.	1.9
George Weston Ltd.	1.8
Canfor Corp.	1.8
CGI Group Inc., Class A	1.8
BRP Inc.	1.8
Manulife Financial Corporation	1.7
Husky Energy Inc.	1.7
Toronto-Dominion Bank	1.7
Boston Beer Co. Inc., Class A	1.7
Magna International Inc., Class A	1.6
The Stars Group Inc.	1.6
Premium Brands Holdings Corp.	1.5
Constellation Software Inc.	1.4
Top 25 Holdings	52.5

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.



CANADIAN EQUITY FUND

**RBC O'SHAUGHNESSY
ALL-CANADIAN EQUITY FUND**

June 30, 2018

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

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

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 returns consisting of capital growth and current income by investing primarily in equity securities of Canadian companies based on Strategy Indexing[®], an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

The Fund selects securities on the basis of several factors including valuation, momentum and return of capital to shareholders. Valuation is based on a variety of measures, including a company's market capitalization ratios and financial statement metrics. The Fund also selects securities based on momentum which may include six-month total return and nine-month total return. Return of capital to shareholders may include dividends and buybacks.

Results of Operations

The Fund's net asset value was \$541 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 2.7%. 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.

The S&P 500 Index outperformed other developed markets during the period, with equities in Europe and Japan declining in local-currency terms but positive when adjusted for a decline in the Canadian dollar. Canadian equities were up slightly. Commodity prices, including oil, appreciated during the period.

Overweight exposure to momentum was the main contributor to returns during the period. This was offset by overweight exposure to value and stocks that tend to rise or fall more than the overall market, which hurt returns. The Fund's exposure to quality added to performance.

Sector and stock allocation contributed to performance. An overweight allocation to the Industrials sector was the main contributor to returns. Additionally, an overweight allocation to the Consumer Discretionary sector and an underweight allocation to the Financials sector added to returns. Security selection in the Industrials and Financials sectors hurt returns. Allocations to BRP and Great Canadian Gaming, both in Consumer Discretionary, were the largest contributors to performance. An allocation to WestJet Airlines and the absence of Suncor Energy in the portfolio were the investment decisions that held back returns the most.

The Fund increased allocations to the Information Technology and Energy sectors during the period and decreased allocations to the Financials sector.

Recent Developments

In January 2018, Patrick O'Shaughnessy was promoted to chief executive officer of O'Shaughnessy Asset Management, the sub-advisor of the Fund. Patrick O'Shaughnessy directs the firm's initiatives in research and portfolio management, investor education and client relationships. He reports to Jim O'Shaughnessy, the firm's chairman and chief investment officer.

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.

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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 \$1,000 (2017 – \$1,000) or 0% (2017 – 0%) 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	Total		
Series A													
June 30, 2018	14.38	0.18	(0.13)	0.45	(0.12)	0.38	—	—	—	—	—	14.76	
Dec. 31, 2017	13.64	0.39	(0.25)	0.14	0.56	0.84	—	(0.13)	—	—	(0.13)	14.38	
Dec. 31, 2016	12.70	0.44	(0.25)	0.86	0.56	1.61	—	(0.15)	(0.51)	—	(0.66)	13.64	
Dec. 31, 2015	13.38	0.40	(0.24)	0.54	(0.82)	(0.12)	—	(0.13)	(0.42)	—	(0.55)	12.70	
Dec. 31, 2014	14.86	0.44	(0.27)	2.00	(1.85)	0.32	—	(0.09)	(1.90)	—	(1.99)	13.38	
Dec. 31, 2013	11.27	0.36	(0.23)	1.27	2.27	3.67	—	(0.07)	—	—	(0.07)	14.85	
Advisor Series													
June 30, 2018	14.45	0.18	(0.13)	0.46	(0.13)	0.38	—	—	—	—	—	14.83	
Dec. 31, 2017	13.71	0.40	(0.25)	0.14	0.54	0.83	—	(0.14)	—	—	(0.14)	14.45	
Dec. 31, 2016	12.75	0.44	(0.24)	0.86	0.55	1.61	—	(0.15)	(0.51)	—	(0.66)	13.71	
Dec. 31, 2015	13.44	0.40	(0.24)	0.54	(0.82)	(0.12)	—	(0.14)	(0.42)	—	(0.56)	12.75	
Dec. 31, 2014	14.92	0.45	(0.27)	2.01	(1.86)	0.33	—	(0.10)	(1.90)	—	(2.00)	13.44	
Dec. 31, 2013	11.32	0.36	(0.23)	1.28	2.28	3.69	—	(0.08)	—	—	(0.08)	14.91	
Series D													
June 30, 2018	14.68	0.18	(0.09)	0.46	(0.11)	0.44	—	—	—	—	—	15.11	
Dec. 31, 2017	13.93	0.40	(0.17)	0.14	0.57	0.94	—	(0.22)	—	—	(0.22)	14.68	
Dec. 31, 2016	12.95	0.45	(0.17)	0.88	0.51	1.67	—	(0.23)	(0.52)	—	(0.75)	13.93	
Dec. 31, 2015	13.65	0.41	(0.17)	0.55	(0.84)	(0.05)	—	(0.22)	(0.42)	—	(0.64)	12.95	
Dec. 31, 2014	15.16	0.46	(0.18)	2.05	(1.89)	0.44	—	(0.19)	(1.93)	—	(2.12)	13.65	
Dec. 31, 2013	11.47	0.37	(0.16)	1.30	2.31	3.82	—	(0.12)	—	—	(0.12)	15.15	
Series F													
June 30, 2018	14.67	0.18	(0.07)	0.46	(0.08)	0.49	—	—	—	—	—	15.13	
Dec. 31, 2017	13.91	0.40	(0.13)	0.14	0.65	1.06	—	(0.26)	—	—	(0.26)	14.67	
Dec. 31, 2016	12.95	0.45	(0.13)	0.87	0.40	1.59	—	(0.27)	(0.53)	—	(0.80)	13.91	
Dec. 31, 2015	13.65	0.41	(0.13)	0.55	(0.84)	(0.01)	—	(0.25)	(0.43)	—	(0.68)	12.95	
Dec. 31, 2014	15.16	0.45	(0.14)	2.02	(1.87)	0.46	—	(0.22)	(1.95)	—	(2.17)	13.65	
Dec. 31, 2013	11.49	0.37	(0.12)	1.30	2.32	3.87	—	(0.18)	—	—	(0.18)	15.16	
Series O													
June 30, 2018	15.39	0.19	—	0.49	(0.12)	0.56	—	—	—	—	—	15.94	
Dec. 31, 2017	14.60	0.42	—	0.15	0.61	1.18	—	(0.42)	—	—	(0.42)	15.39	
Dec. 31, 2016	13.59	0.47	—	0.92	0.58	1.97	—	(0.42)	(0.56)	—	(0.98)	14.60	
Dec. 31, 2015	14.33	0.43	—	0.58	(0.88)	0.13	—	(0.40)	(0.45)	—	(0.85)	13.59	
Dec. 31, 2014	15.90	0.38	—	1.72	(1.59)	0.51	—	(0.36)	(2.04)	—	(2.40)	14.33	
Dec. 31, 2013	12.01	0.39	—	1.37	2.43	4.19	—	(0.28)	—	—	(0.28)	15.89	

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.



FINANCIAL HIGHLIGHTS (cont.)

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	14.76	178 207	12 073	1.82	1.82	52.17	0.10
Dec. 31, 2017	14.38	186 843	12 994	1.81	1.81	65.41	0.13
Dec. 31, 2016	13.64	205 173	15 042	1.82	1.82	65.12	0.16
Dec. 31, 2015	12.70	206 136	16 238	1.82	1.82	67.35	0.14
Dec. 31, 2014	13.38	248 841	18 602	1.82	1.82	81.87	0.14
Dec. 31, 2013	14.86	260 650	17 545	1.82	1.82	72.29	0.12
Advisor Series							
June 30, 2018	14.83	5 186	350	1.77	1.77	52.17	0.10
Dec. 31, 2017	14.45	5 291	366	1.78	1.78	65.41	0.13
Dec. 31, 2016	13.71	6 262	457	1.78	1.78	65.12	0.16
Dec. 31, 2015	12.75	5 719	449	1.78	1.78	67.35	0.14
Dec. 31, 2014	13.44	6 779	505	1.78	1.78	81.87	0.14
Dec. 31, 2013	14.92	7 414	497	1.79	1.79	72.29	0.12
Series D							
June 30, 2018	15.11	22 070	1 460	1.21	1.21	52.17	0.10
Dec. 31, 2017	14.68	22 670	1 545	1.21	1.21	65.41	0.13
Dec. 31, 2016	13.93	24 320	1 746	1.21	1.21	65.12	0.16
Dec. 31, 2015	12.95	20 662	1 595	1.21	1.21	67.35	0.14
Dec. 31, 2014	13.65	22 425	1 643	1.21	1.21	81.87	0.14
Dec. 31, 2013	15.16	21 848	1 441	1.22	1.22	72.29	0.12
Series F							
June 30, 2018	15.13	25 349	1 676	0.93	0.93	52.17	0.10
Dec. 31, 2017	14.67	18 912	1 289	0.94	0.94	65.41	0.13
Dec. 31, 2016	13.91	12 273	882	0.94	0.94	65.12	0.16
Dec. 31, 2015	12.95	6 935	536	0.94	0.94	67.35	0.14
Dec. 31, 2014	13.65	7 446	546	0.94	0.94	81.87	0.14
Dec. 31, 2013	15.16	6 769	446	0.95	0.95	72.29	0.12
Series O							
June 30, 2018	15.94	309 973	19 451	0.02	0.02	52.17	0.10
Dec. 31, 2017	15.39	303 433	19 722	0.02	0.02	65.41	0.13
Dec. 31, 2016	14.60	277 960	19 044	0.02	0.02	65.12	0.16
Dec. 31, 2015	13.59	200 629	14 763	0.02	0.02	67.35	0.14
Dec. 31, 2014	14.33	206 957	14 439	0.02	0.02	81.87	0.14
Dec. 31, 2013	15.90	15 524	976	0.02	0.02	72.29	0.12

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.



FINANCIAL HIGHLIGHTS (cont.)

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	1.50%	50%	50%
Advisor Series	1.50%	50%	50%
Series D	1.00%	25%	75%
Series F	0.75%	—	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.

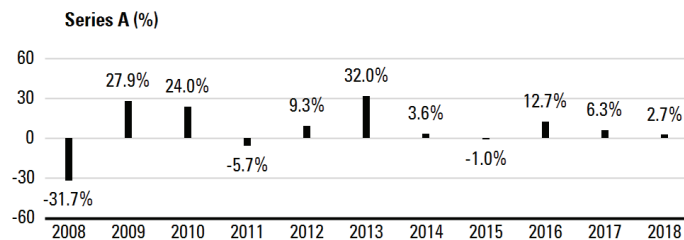
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

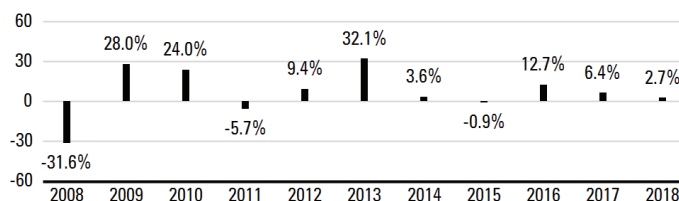
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

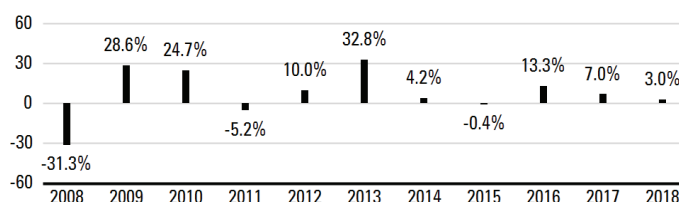
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



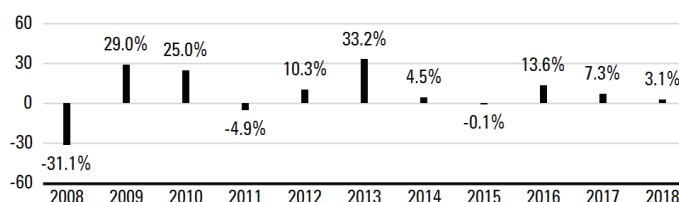
Advisor Series (%)



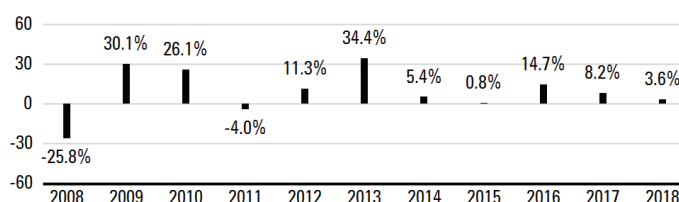
Series D (%)



Series F (%)



Series O (%)



Series O units have been available for sale to unitholders since July 18, 2008.

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
Financials	20.9
Materials	20.2
Industrials	15.9
Consumer Discretionary	15.7
Real Estate	7.4
Consumer Staples	5.4
Energy	4.6
Health Care	3.8
Information Technology	3.1
Utilities	1.3
Telecommunication Services	1.0
Cash/Other	0.7

Top 25 Holdings

	% of Net Asset Value
Teck Resources Ltd., Class B	3.5
Methanex Corp.	3.3
Royal Bank of Canada	3.0
Sun Life Financial Inc.	3.0
BRP Inc.	2.9
Air Canada	2.6
Canfor Corp.	2.5
Valeant Pharmaceuticals International Inc.	2.5
Transcontinental Inc., Class A	2.2
Manulife Financial Corporation	2.2
Genworth MI Canada Inc.	2.1
WestJet Airlines Ltd.	1.9
Great-West Lifeco Inc.	1.8
Husky Energy Inc.	1.7
Norbord Inc.	1.7
Cogeco Communications Inc.	1.7
Quebecor Inc., Class B	1.7
Toronto-Dominion Bank	1.7
Metro Inc., Class A	1.6
Granite Real Estate Investment Trust	1.6
Colliers International Group Inc.	1.5
Great Canadian Gaming Corp.	1.5
George Weston Ltd.	1.5
Centerra Gold Inc.	1.4
The Stars Group Inc.	1.4
Top 25 Holdings	52.5

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.



CANADIAN EQUITY FUND

RBC CANADIAN EQUITY INCOME 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 a high level of monthly cash flow, relatively tax-efficient distributions consisting primarily of returns of capital, capital gains and interest income, as well as the potential for modest capital growth.

To achieve its objective, the Fund invests primarily in a diversified portfolio of Canadian equity securities including common and preferred shares, real estate investment trusts and income trusts. The Fund may also invest in fixed-income securities, such as government and corporate bonds, debentures and notes.

Results of Operations

The Fund's net asset value was \$3.4 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.2%. 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.

The Fund made monthly distributions of 9.05 cents per Series A unit in the first half of 2018.

The Canadian stock market posted modest gains in the first half of 2018, led by strength in the Energy and Information Technology sectors. However, domestic economic growth slowed and concern about trade protectionism intensified as the period progressed, leading the Bank of Canada to take a more cautious approach toward raising interest rates. The combination of rising borrowing costs, a weaker housing market and uncertainty about the future of the North American Free Trade Agreement conspired to dampen Canadian economic growth. Late in the period, President Trump imposed tariffs on Canadian steel and aluminum. Against this backdrop, equities struggled to make the kind of headway that came so easily last year.

Security selection and asset weighting added to relative performance during the first half of 2018. The Fund's positions in DREAM Unlimited, WPT Industrial REIT and Equinor aided relative returns. The Fund also benefited from an overweight position in Suncor Energy, as oil prices rose.

The Fund's returns were hurt by an underweight position in the Canadian Information Technology sector. The Fund did not own top performer Constellation Software, which has grown through acquisitions.

Recent Developments

Equities fluctuated significantly during the first half of the year as rapid corporate-profit growth was offset by contracting price-to-earnings ratios. Expanding valuations have been a significant source of gains for stocks during this long bull market, but sustained earnings growth will be critical to drive stocks higher from here. The earnings outlook in Canada has been upgraded to reflect higher crude-oil prices, underpinning Energy sector earnings. The global economic backdrop supports continued momentum in commodity prices as the global economy appears to be entering the later part of the cycle. The positive trend in earnings is expected to persist, and the portfolio manager's research suggests a reasonable outcome is for stocks to deliver positive returns this year and next.

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 \$291,000 (2017 – \$313,000) or 18% (2017 – 15%) 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	Total	
Series A												
June 30, 2018	27.20	0.51	(0.25)	0.37	(0.66)	(0.03)	—	(0.47)	—	(0.07)	(0.54)	26.69
Dec. 31, 2017	26.20	0.90	(0.51)	1.22	0.45	2.06	—	(0.56)	(0.37)	(0.15)	(1.08)	27.20
Dec. 31, 2016	22.51	0.92	(0.48)	(0.17)	4.42	4.69	—	(0.57)	—	(0.51)	(1.08)	26.20
Dec. 31, 2015	26.48	0.97	(0.53)	0.55	(3.62)	(2.63)	—	(0.55)	(0.76)	—	(1.31)	22.51
Dec. 31, 2014	26.13	0.90	(0.58)	1.84	0.07	2.23	—	(0.42)	(1.74)	—	(2.16)	26.48
Dec. 31, 2013	23.61	0.86	(0.52)	1.26	2.26	3.86	—	(0.39)	(0.95)	—	(1.34)	26.11
Advisor Series												
June 30, 2018	27.45	0.52	(0.24)	0.38	(0.70)	(0.04)	—	(0.47)	—	(0.08)	(0.55)	26.94
Dec. 31, 2017	26.42	0.91	(0.49)	1.23	0.43	2.08	—	(0.56)	(0.37)	(0.15)	(1.08)	27.45
Dec. 31, 2016	22.67	0.93	(0.47)	(0.17)	4.43	4.72	—	(0.57)	—	(0.51)	(1.08)	26.42
Dec. 31, 2015	26.64	0.98	(0.52)	0.55	(3.65)	(2.64)	—	(0.55)	(0.76)	—	(1.31)	22.67
Dec. 31, 2014	26.27	0.90	(0.57)	1.85	0.07	2.25	—	(0.42)	(1.74)	—	(2.16)	26.64
Dec. 31, 2013	23.72	0.86	(0.51)	1.26	2.27	3.88	—	(0.39)	(0.95)	—	(1.34)	26.25
Series D												
June 30, 2018	30.47	0.58	(0.15)	0.42	(0.72)	0.13	—	(0.53)	—	(0.08)	(0.61)	30.02
Dec. 31, 2017	28.98	1.00	(0.31)	1.36	0.52	2.57	—	(0.56)	(0.38)	(0.15)	(1.09)	30.47
Dec. 31, 2016	24.59	1.02	(0.30)	(0.19)	4.89	5.42	—	(0.57)	—	(0.52)	(1.09)	28.98
Dec. 31, 2015	28.58	1.06	(0.33)	0.60	(3.93)	(2.60)	—	(0.56)	(0.77)	—	(1.33)	24.59
Dec. 31, 2014	27.90	0.96	(0.36)	1.97	0.07	2.64	—	(0.42)	(1.83)	—	(2.25)	28.58
Dec. 31, 2013	24.93	0.91	(0.32)	1.33	2.39	4.31	—	(0.39)	(0.96)	—	(1.35)	27.88
Series F												
June 30, 2018	31.91	0.61	(0.12)	0.44	(0.63)	0.30	—	(0.55)	—	(0.09)	(0.64)	31.48
Dec. 31, 2017	30.24	1.05	(0.24)	1.42	0.60	2.83	—	(0.58)	(0.38)	(0.15)	(1.11)	31.91
Dec. 31, 2016	25.57	1.06	(0.23)	(0.19)	5.13	5.77	—	(0.59)	—	(0.52)	(1.11)	30.24
Dec. 31, 2015	29.60	1.10	(0.26)	0.62	(4.08)	(2.62)	—	(0.57)	(0.79)	—	(1.36)	25.57
Dec. 31, 2014	28.79	0.99	(0.29)	2.04	0.07	2.81	—	(0.43)	(1.88)	—	(2.31)	29.60
Dec. 31, 2013	25.64	0.94	(0.25)	1.38	2.47	4.54	—	(0.40)	(0.97)	—	(1.37)	28.77
Series O												
June 30, 2018	31.64	0.60	—	0.44	(0.70)	0.34	—	(0.55)	—	(0.09)	(0.64)	31.33
Dec. 31, 2017	29.74	1.03	(0.01)	1.40	0.55	2.97	—	(0.56)	(0.37)	(0.15)	(1.08)	31.64
Dec. 31, 2016	24.94	1.04	(0.01)	(0.19)	4.96	5.80	—	(0.57)	—	(0.51)	(1.08)	29.74
Dec. 31, 2015	28.62	1.07	(0.01)	0.60	(3.97)	(2.31)	—	(0.55)	(0.78)	—	(1.33)	24.94
Dec. 31, 2014	27.60	0.94	(0.01)	1.92	0.07	2.92	—	(0.42)	(1.81)	—	(2.23)	28.62
Dec. 31, 2013	24.38	0.89	(0.01)	1.31	2.35	4.54	—	(0.39)	(0.95)	—	(1.34)	27.57

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.



FINANCIAL HIGHLIGHTS (cont.)

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	26.69	1 360 838	50 994	1.92	1.92	38.33	0.10
Dec. 31, 2017	27.20	1 491 912	54 847	1.92	1.92	45.98	0.09
Dec. 31, 2016	26.20	1 537 729	58 694	2.00 ⁴	2.00	55.83	0.13
Dec. 31, 2015	22.51	1 504 191	66 832	2.08	2.08	66.46	0.14
Dec. 31, 2014	26.48	2 033 414	76 803	2.09	2.09	70.40	0.16
Dec. 31, 2013	26.13	1 663 346	63 662	2.09	2.09	87.91	0.21
Advisor Series							
June 30, 2018	26.94	595 590	22 108	1.86	1.86	38.33	0.10
Dec. 31, 2017	27.45	663 164	24 157	1.86	1.86	45.98	0.09
Dec. 31, 2016	26.42	724 915	27 443	1.94 ⁴	1.94	55.83	0.13
Dec. 31, 2015	22.67	710 826	31 354	2.02	2.02	66.46	0.14
Dec. 31, 2014	26.64	1 013 100	38 027	2.02	2.02	70.40	0.16
Dec. 31, 2013	26.27	830 298	31 609	2.04	2.04	87.91	0.21
Series D							
June 30, 2018	30.02	250 560	8 346	1.04	1.04	38.33	0.10
Dec. 31, 2017	30.47	265 600	8 718	1.04	1.04	45.98	0.09
Dec. 31, 2016	28.98	257 876	8 899	1.12 ⁴	1.12	55.83	0.13
Dec. 31, 2015	24.59	231 129	9 398	1.20	1.20	66.46	0.14
Dec. 31, 2014	28.58	304 050	10 637	1.21	1.21	70.40	0.16
Dec. 31, 2013	27.90	217 303	7 789	1.21	1.21	87.91	0.21
Series F							
June 30, 2018	31.48	596 682	18 952	0.76	0.76	38.33	0.10
Dec. 31, 2017	31.91	548 114	17 179	0.76	0.76	45.98	0.09
Dec. 31, 2016	30.24	376 706	12 459	0.84 ⁴	0.84	55.83	0.13
Dec. 31, 2015	25.57	252 483	9 876	0.93	0.93	66.46	0.14
Dec. 31, 2014	29.60	290 113	9 801	0.93	0.93	70.40	0.16
Dec. 31, 2013	28.79	200 234	6 954	0.94	0.94	87.91	0.21
Series O							
June 30, 2018	31.33	550 896	17 582	0.02	0.02	38.33	0.10
Dec. 31, 2017	31.64	560 713	17 725	0.02	0.02	45.98	0.09
Dec. 31, 2016	29.74	534 809	17 982	0.02	0.02	55.83	0.13
Dec. 31, 2015	24.94	530 183	21 260	0.02	0.02	66.46	0.14
Dec. 31, 2014	28.62	495 332	17 305	0.02	0.02	70.40	0.16
Dec. 31, 2013	27.60	179 938	6 521	0.02	0.02	87.91	0.21

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 – 1.92%, Advisor Series – 1.86%, Series D – 1.04% and Series F – 0.77%.



FINANCIAL HIGHLIGHTS (cont.)

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 D	0.85%	25%	75%
Series F	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.

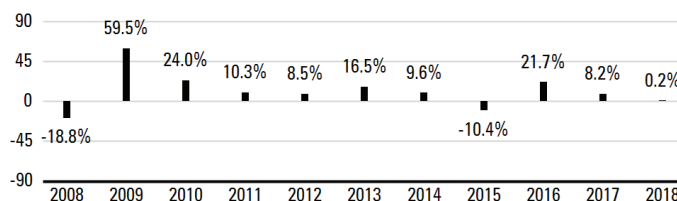
PAST PERFORMANCE

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.

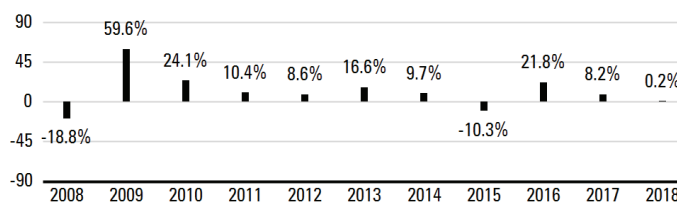
Year-by-Year Returns (%)

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.

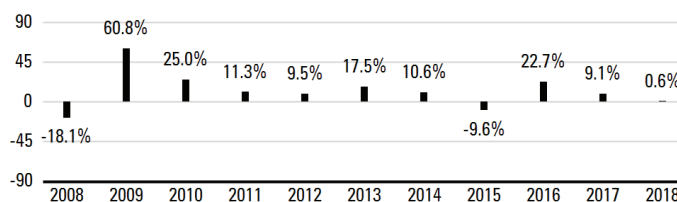
Series A (%)



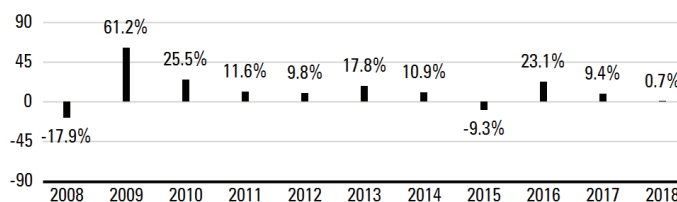
Advisor Series (%)



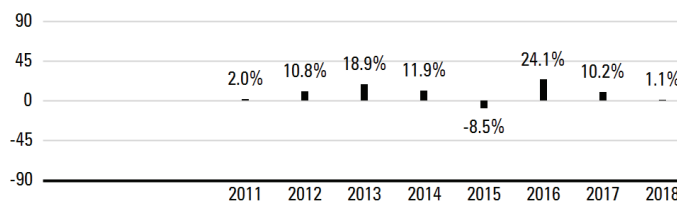
Series D (%)



Series F (%)



Series O (%)



Series O units have been available for sale to unitholders since July 11, 2011.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series H units were re-designated as Series A units and all outstanding Series I units were re-designated as Series F units effective June 30, 2016.

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
Financials	30.9
Energy	23.2
Real Estate	10.0
Utilities	10.0
Materials	8.5
Industrials	7.0
Telecommunication Services	3.0
Consumer Staples	1.5
Consumer Discretionary	1.3
Health Care	1.2
Information Technology	0.8
Cash/Other	2.6

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	6.4
Toronto-Dominion Bank	5.7
Bank of Nova Scotia	5.3
Suncor Energy Inc.	4.0
Enbridge Inc.	4.0
TransCanada Corp.	3.2
Manulife Financial Corporation	3.0
Canadian Natural Resources Ltd.	2.9
Brookfield Asset Management Inc., Class A	2.8
Sun Life Financial Inc.	2.2
Canadian Pacific Railway Ltd.	1.9
Bank of Montreal	1.8
Brookfield Property Partners LP	1.8
SNC-Lavalin Group Inc.	1.8
Nutrien Ltd.	1.8
BCE Inc.	1.7
Cash & Cash Equivalents	1.7
Pembina Pipeline Corp.	1.7
Canadian National Railway Co.	1.7
Enbridge Income Fund Holdings Inc.	1.7
Canadian Imperial Bank of Commerce	1.7
Thomson Corp.	1.4
Keyera Corp.	1.3
Brookfield Infrastructure Partners LP	1.3
Algonquin Power & Utilities Corp.	1.2
Top 25 Holdings	64.0

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.



CANADIAN EQUITY FUND

**RBC CANADIAN SMALL & MID-CAP
RESOURCES 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 small- and mid-cap equity securities of companies that are listed on an exchange in Canada, within the Energy and Materials sectors.

The Fund's investment process is primarily based on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook. The portfolio manager invests in companies that are involved directly or indirectly in the exploration, development, production or distribution of natural or other resources. This includes companies that provide services to, use, or may benefit from, developments in the natural resources sector or companies that develop, design or provide products and services significant to a country's or region's infrastructure and its future evolution.

Results of Operations

The Fund's net asset value was \$309 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 3.1%. 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.

Energy prices rose significantly during the period, supporting shares of companies linked to oil and natural gas. The benchmark North American price for crude oil rose 23% to finish the period at about US\$74 per barrel. Prices for base and precious metals were mixed, ceding gains early in the period amid trade tensions and a rising U.S. dollar.

Security selection aided the Fund's performance during the period. The Fund's returns were boosted by holdings in the Energy sector, specifically in companies that explore for and produce oil and gas. Overweight positions in Parex Resources and Enerplus and an underweight in Peyto Exploration bolstered relative returns.

The Materials-sector portion of the Fund outperformed. Gold prices traded within a tight range for much of the first half of 2018 but finished the period at the lowest levels of the period as the U.S. dollar strengthened. The price stayed on a relatively strong footing until mid-May, when prices broke below US\$1,300 for the first time since December of last year. Trade disputes between the U.S. and China strengthened the U.S. dollar and caused concern that economic growth would begin to decelerate. The Fund's returns benefited from decisions involving relative levels of exposure to Ivanhoe Mines, Arizona Mining and Chemtrade.

Recent Developments

The announcement by OPEC in June to increase production will likely help dampen the increase in oil prices, and the portfolio manager anticipates that global production should gradually increase. Supply/demand fundamentals were in balance as the second half of the year got underway.

The portfolio manager believes that global economic growth is likely to slow given global trade tensions between the U.S., on the one hand, and China and Europe, on the other. In the portfolio manager's view, precious-metal equities could strengthen if slower growth delays the U.S. Federal Reserve's efforts to raise interest rates in 2018.

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 \$15,000 (2017 – \$35,000) or 3% (2017 – 9%) 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	Total	
Series A												
June 30, 2018	7.72	0.06	(0.08)	0.08	0.19	0.25	—	—	—	—	—	7.96
Dec. 31, 2017	8.72	0.10	(0.16)	(0.31)	(0.60)	(0.97)	—	—	—	—	—	7.72
Dec. 31, 2016	6.27	0.11	(0.15)	(1.18)	3.78	2.56	—	—	—	—	—	8.72
Dec. 31, 2015 ³	10.00 [†]	0.16	(0.15)	(2.08)	(0.54)	(2.61)	—	(0.07)	—	—	(0.07)	6.27
Series D												
June 30, 2018	7.83	0.06	(0.05)	0.08	0.22	0.31	—	—	—	—	—	8.11
Dec. 31, 2017	8.78	0.10	(0.10)	(0.31)	(0.58)	(0.89)	—	(0.01)	—	—	(0.01)	7.83
Dec. 31, 2016	6.28	0.11	(0.10)	(1.19)	3.86	2.68	—	(0.02)	—	—	(0.02)	8.78
Dec. 31, 2015 ³	10.00 [†]	0.17	(0.09)	(2.09)	(0.55)	(2.56)	—	(0.12)	—	—	(0.12)	6.28
Series F												
June 30, 2018	7.82	0.06	(0.04)	0.08	0.30	0.40	—	—	—	—	—	8.10
Dec. 31, 2017	8.76	0.10	(0.07)	(0.31)	(0.50)	(0.78)	—	(0.03)	—	—	(0.03)	7.82
Dec. 31, 2016	6.26	0.11	(0.08)	(1.22)	6.26	5.07	—	(0.04)	—	—	(0.04)	8.76
Dec. 31, 2015 ³	10.00 [†]	0.17	(0.08)	(2.09)	(0.55)	(2.55)	—	(0.13)	—	—	(0.13)	6.26
Series O												
June 30, 2018	6.60	0.05	—	0.06	0.16	0.27	—	—	—	—	—	6.87
Dec. 31, 2017	7.39	0.08	—	(0.26)	(0.55)	(0.73)	—	(0.08)	—	—	(0.08)	6.60
Dec. 31, 2016	5.28	0.09	—	(1.00)	3.10	2.19	—	(0.10)	—	—	(0.10)	7.39
Dec. 31, 2015	7.87	0.16	—	(2.03)	(0.53)	(2.40)	—	(0.17)	—	—	(0.17)	5.28
Dec. 31, 2014	10.59	0.22	—	0.54	(2.40)	(1.64)	—	(0.21)	(0.63)	—	(0.84)	7.87
Dec. 31, 2013 ⁴	10.00 [†]	0.06	—	0.06	0.63	0.75	—	(0.04)	(0.07)	—	(0.11)	10.58

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 13, 2015.

⁴ From October 3, 2013.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	7.96	1 568	197	2.03	2.03	61.56	0.35
Dec. 31, 2017	7.72	1 590	206	2.01	2.01	54.66	0.26
Dec. 31, 2016	8.72	1 671	192	2.02 ⁴	2.02	71.10	0.34
Dec. 31, 2015 ⁵	6.27	390	62	2.09	2.09	52.85	0.25
Series D							
June 30, 2018	8.11	2 987	368	1.21	1.21	61.56	0.35
Dec. 31, 2017	7.83	4 480	572	1.21	1.21	54.66	0.26
Dec. 31, 2016	8.78	5 122	584	1.25 ⁴	1.25	71.10	0.34
Dec. 31, 2015 ⁵	6.28	856	136	1.30	1.30	52.85	0.25
Series F							
June 30, 2018	8.10	3 380	417	0.96	0.96	61.56	0.35
Dec. 31, 2017	7.82	2 250	288	0.92	0.92	54.66	0.26
Dec. 31, 2016	8.76	2 485	284	0.96 ⁴	0.96	71.10	0.34
Dec. 31, 2015 ⁵	6.26	22	4	1.06	1.06	52.85	0.25
Series O							
June 30, 2018	6.87	301 515	43 898	0.02	0.02	61.56	0.35
Dec. 31, 2017	6.60	298 520	45 243	0.02	0.02	54.66	0.26
Dec. 31, 2016	7.39	343 267	46 472	0.02	0.02	71.10	0.34
Dec. 31, 2015	5.28	280 059	53 027	0.02	0.02	52.85	0.25
Dec. 31, 2014	7.87	410 095	52 089	0.02	0.02	85.79	0.35
Dec. 31, 2013 ⁶	10.59	526 184	49 679	0.03	0.03	27.67	0.10

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, 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 – 1.98%, Series D – 1.21% and Series F – 0.96%.

⁵ From February 13, 2015.

⁶ From October 3, 2013.

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	1.75%	54%	46%
Series D	1.00%	23%	77%
Series F	0.75%	—	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 (%)

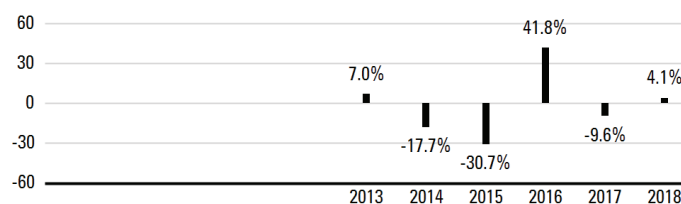
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series F (%)



Series O (%)



Series A, Series D and Series F units have been available for sale to unitholders since February 17, 2015 and Series O units since October 3, 2013.

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
Oil, Gas and Consumable Fuels	52.9
Paper and Forest Products	14.5
Metals and Mining	13.4
Chemicals	8.8
Energy Equipment and Services	6.9
Containers and Packaging	0.4
Cash/Other	3.1

Top 25 Holdings

	% of Net Asset Value
Methanex Corp.	7.3
Parex Resources Inc.	6.4
Tourmaline Oil Corp.	6.3
Enerplus Corp.	5.8
West Fraser Timber Co. Ltd.	5.1
Whitecap Resources Inc.	5.1
Vermilion Energy Inc.	4.9
MEG Energy Corp.	3.9
Lundin Mining Corp.	3.7
Kelt Exploration Ltd.	3.5
Precision Drilling Corp.	3.4
PrairieSky Royalty Ltd.	3.3
Seven Generations Energy Ltd.	3.3
Turquoise Hill Resources Ltd.	3.3
Gran Tierra Energy Inc.	3.1
Cash & Cash Equivalents	2.9
Nuvista Energy Ltd.	2.9
Norbord Inc.	2.9
Interfor Corp.	2.8
Labrador Iron Ore Royalty Corp.	2.5
Yangarra Resources Ltd.	2.0
Enerflex Ltd.	1.8
Canfor Corp.	1.8
ShawCor Ltd.	1.7
Chemtrade Logistics Income Fund	1.5
Top 25 Holdings	91.2

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.



NORTH AMERICAN EQUITY FUND

RBC NORTH AMERICAN VALUE 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 Canadian and U.S. companies that are priced below their true value.

To achieve its objective, the Fund identifies quality companies that are undervalued based on criteria such as assets, earnings and cash flow. The approach provides for a lower level of volatility than a portfolio of growth companies. The Fund may also invest in income trusts.

Results of Operations

The Fund's net asset value was \$3.2 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 1.2%. 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.

Canadian and U.S. equity markets posted modest gains in the first half of 2018. Stocks were volatile through June, as euphoria over the late-2017 U.S. tax cuts yielded concerns over weaker economic growth and rising trade protectionism. Robust earnings growth was a positive for stocks. However, sustained economic growth and robust earnings were accompanied by higher interest rates and faster inflation, which weighed on valuations. Against this backdrop, equities struggled to make the kind of headway that came so easily last year.

The Fund modestly underperformed during the period due to security selection in the U.S. portion of the portfolio. Not holding Amazon and Netflix held back returns substantially. The stocks' high valuations are unsuitable for a value mandate. Stanley Black & Decker also held back returns after earnings were hurt by higher prices for raw materials caused by tariffs.

In the Canadian portion of the Fund, security selection contributed to relative returns. Energy was the strongest sector, highlighted by an overweight position in heavy-oil producer MEG Energy. The company benefited from a stronger balance sheet and higher oil prices. An overweight allocation to Great Canadian Gaming also aided returns, as early results from their Ontario projects have been better than expected.

Recent Developments

Equities fluctuated significantly during the first half of the year as rapid corporate-profit growth was offset by contracting price-to-earnings ratios. Expanding valuations have been a significant source of gains for stocks during this long bull market, but sustained earnings growth will be critical to drive stocks higher from here. Earnings have indeed been growing rapidly, helped in part by the U.S. tax cuts. The positive trend in earnings is expected to persist, and the portfolio manager's research suggests a reasonable outcome is for stocks to deliver positive returns this year and next. The portfolio manager acknowledges, however, that any deterioration in the outlook for earnings would leave markets vulnerable to correction given currently demanding valuations.

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 \$202,000 (2017 – \$163,000) or 11% (2017 – 12%) 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	Total		
Series A													
June 30, 2018	24.54	0.28	(0.23)	0.83	(0.60)	0.28	—	—	—	—	—	24.83	
Dec. 31, 2017	22.83	0.48	(0.46)	1.43	1.09	2.54	—	—	(0.85)	—	(0.85)	24.54	
Dec. 31, 2016	20.65	0.50	(0.43)	0.89	1.58	2.54	—	(0.03)	(0.39)	—	(0.42)	22.83	
Dec. 31, 2015	20.94	0.53	(0.45)	0.53	(0.71)	(0.10)	—	(0.03)	(0.20)	—	(0.23)	20.65	
Dec. 31, 2014	19.40	0.44	(0.43)	1.24	1.22	2.47	—	—	(0.95)	—	(0.95)	20.94	
Dec. 31, 2013	16.63	0.37	(0.39)	1.53	2.39	3.90	—	—	(1.07)	—	(1.07)	19.39	
Advisor Series													
June 30, 2018	25.07	0.29	(0.23)	0.85	(0.62)	0.29	—	—	—	—	—	25.37	
Dec. 31, 2017	23.30	0.49	(0.46)	1.46	1.11	2.60	—	—	(0.85)	—	(0.85)	25.07	
Dec. 31, 2016	21.05	0.51	(0.43)	0.91	1.61	2.60	—	(0.03)	(0.39)	—	(0.42)	23.30	
Dec. 31, 2015	21.35	0.54	(0.45)	0.54	(0.72)	(0.09)	—	(0.04)	(0.21)	—	(0.25)	21.05	
Dec. 31, 2014	19.76	0.45	(0.44)	1.27	1.25	2.53	—	—	(0.95)	—	(0.95)	21.35	
Dec. 31, 2013	16.92	0.37	(0.39)	1.56	2.43	3.97	—	—	(1.08)	—	(1.08)	19.75	
Advisor T5 Series													
June 30, 2018	22.83	0.29	(0.23)	0.85	(0.65)	0.26	—	(0.51)	—	(0.06)	(0.57)	22.52	
Dec. 31, 2017	21.56	0.49	(0.46)	1.46	0.94	2.43	—	—	(0.96)	(0.12)	(1.08)	22.83	
Dec. 31, 2016	20.09	0.51	(0.43)	0.91	1.77	2.76	—	(0.04)	(0.39)	(0.57)	(1.00)	21.56	
Dec. 31, 2015	21.18	0.54	(0.45)	0.54	(0.72)	(0.09)	—	(0.06)	(0.43)	(0.57)	(1.06)	20.09	
Dec. 31, 2014 ³	21.35 [†]	0.45	(0.44)	1.27	1.25	2.53	—	—	(1.12)	—	(1.12)	21.18	
Series T5													
June 30, 2018	22.81	0.26	(0.21)	0.76	(0.73)	0.08	—	(0.45)	—	(0.12)	(0.57)	22.50	
Dec. 31, 2017	21.53	0.44	(0.42)	1.31	1.03	2.36	—	—	(0.84)	(0.23)	(1.07)	22.81	
Dec. 31, 2016	20.08	0.48	(0.41)	0.85	1.63	2.55	—	(0.03)	(0.44)	(0.53)	(1.00)	21.53	
Dec. 31, 2015	21.19	0.52	(0.44)	0.52	(0.70)	(0.10)	—	(0.06)	(0.24)	(0.76)	(1.06)	20.08	
Dec. 31, 2014 ³	21.35 [†]	0.16	(0.18)	0.46	0.45	0.89	—	—	(1.11)	—	(1.11)	21.19	
Series D													
June 30, 2018	26.26	0.31	(0.13)	0.89	(0.64)	0.43	—	—	—	—	—	26.69	
Dec. 31, 2017	24.31	0.52	(0.27)	1.52	1.19	2.96	—	(0.11)	(0.90)	—	(1.01)	26.26	
Dec. 31, 2016	21.97	0.54	(0.26)	0.95	1.68	2.91	—	(0.25)	(0.41)	—	(0.66)	24.31	
Dec. 31, 2015	22.28	0.57	(0.27)	0.57	(0.76)	0.11	—	(0.23)	(0.21)	—	(0.44)	21.97	
Dec. 31, 2014	20.45	0.47	(0.26)	1.32	1.30	2.83	—	—	(1.00)	—	(1.00)	22.28	
Dec. 31, 2013	17.35	0.38	(0.24)	1.60	2.50	4.24	—	—	(1.10)	—	(1.10)	20.44	



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	Total	
Series F												
June 30, 2018	28.34	0.33	(0.11)	0.96	(0.59)	0.59	—	—	—	—	—	28.84
Dec. 31, 2017	26.21	0.56	(0.21)	1.64	1.38	3.37	—	(0.17)	(0.97)	—	(1.14)	28.34
Dec. 31, 2016	23.68	0.58	(0.21)	1.03	2.03	3.43	—	(0.34)	(0.43)	—	(0.77)	26.21
Dec. 31, 2015	24.02	0.61	(0.23)	0.61	(0.82)	0.17	—	(0.31)	(0.23)	—	(0.54)	23.68
Dec. 31, 2014	21.99	0.50	(0.22)	1.42	1.39	3.09	—	—	(1.08)	—	(1.08)	24.02
Dec. 31, 2013	18.63	0.41	(0.20)	1.72	2.68	4.61	—	—	(1.20)	—	(1.20)	21.98
Series FT5												
June 30, 2018	26.43	0.30	(0.10)	0.89	(0.58)	0.51	—	(0.66)	—	—	(0.66)	26.21
Dec. 31, 2017	24.89	0.51	(0.20)	1.51	1.36	3.18	(0.06)	(0.24)	(1.18)	—	(1.48)	26.43
Dec. 31, 2016	22.94	0.55	(0.19)	0.97	1.73	3.06	—	(0.28)	(0.60)	(0.27)	(1.15)	24.89
Dec. 31, 2015	23.92	0.59	(0.23)	0.59	(0.79)	0.16	—	(0.31)	(0.31)	(0.57)	(1.19)	22.94
Dec. 31, 2014 ³	23.92 [†]	0.18	(0.09)	0.51	0.50	1.10	—	(0.08)	(1.10)	—	(1.18)	23.92
Series O												
June 30, 2018	26.35	0.31	—	0.90	(0.66)	0.55	—	—	—	—	—	26.92
Dec. 31, 2017	24.30	0.52	(0.01)	1.53	1.18	3.22	—	(0.27)	(0.91)	—	(1.18)	26.35
Dec. 31, 2016	21.95	0.54	(0.01)	0.95	1.66	3.14	—	(0.51)	(0.41)	—	(0.92)	24.30
Dec. 31, 2015	22.28	0.57	(0.01)	0.57	(0.76)	0.37	—	(0.51)	(0.22)	—	(0.73)	21.95
Dec. 31, 2014	20.21	0.46	—	1.31	1.28	3.05	—	—	(1.00)	—	(1.00)	22.28
Dec. 31, 2013	16.98	0.37	—	1.54	2.41	4.32	—	—	(1.12)	—	(1.12)	20.20

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 August 11, 2014.

[†] 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	24.83	1 733 880	69 838	1.93	1.93	67.66	0.11
Dec. 31, 2017	24.54	1 740 366	70 923	1.94	1.94	58.37	0.09
Dec. 31, 2016	22.83	1 496 612	65 553	2.01 ⁴	2.01	55.55	0.10
Dec. 31, 2015	20.65	1 462 301	70 829	2.10	2.10	70.55	0.11
Dec. 31, 2014	20.94	1 422 902	67 956	2.10	2.10	129.63	0.22
Dec. 31, 2013	19.40	973 884	50 213	2.11	2.11	169.00	0.34
Advisor Series							
June 30, 2018	25.37	519 221	20 464	1.89	1.89	67.66	0.11
Dec. 31, 2017	25.07	524 722	20 929	1.89	1.89	58.37	0.09
Dec. 31, 2016	23.30	484 432	20 791	1.97 ⁴	1.97	55.55	0.10
Dec. 31, 2015	21.05	464 488	22 062	2.06	2.06	70.55	0.11
Dec. 31, 2014	21.35	466 748	21 857	2.06	2.06	129.63	0.22
Dec. 31, 2013	19.76	348 505	17 640	2.08	2.08	169.00	0.34



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
Advisor T5 Series							
June 30, 2018	22.52	3 939	175	1.89	1.89	67.66	0.11
Dec. 31, 2017	22.83	3 478	152	1.89	1.89	58.37	0.09
Dec. 31, 2016	21.56	1 734	80	1.94 ⁴	1.94	55.55	0.10
Dec. 31, 2015	20.09	1 048	52	2.11	2.11	70.55	0.11
Dec. 31, 2014 ⁵	21.18	162	8	2.09	2.09	129.63	0.22
Series T5							
June 30, 2018	22.50	2 111	94	1.90	1.90	67.66	0.11
Dec. 31, 2017	22.81	1 931	85	1.89	1.89	58.37	0.09
Dec. 31, 2016	21.53	997	46	1.99 ⁴	1.99	55.55	0.10
Dec. 31, 2015	20.08	630	31	2.12	2.12	70.55	0.11
Dec. 31, 2014 ⁵	21.19	124	6	2.09	2.09	129.63	0.22
Series D							
June 30, 2018	26.69	107 977	4 046	1.04	1.04	67.66	0.11
Dec. 31, 2017	26.26	102 003	3 884	1.05	1.05	58.37	0.09
Dec. 31, 2016	24.31	79 474	3 269	1.12 ⁴	1.12	55.55	0.10
Dec. 31, 2015	21.97	73 657	3 352	1.20	1.20	70.55	0.11
Dec. 31, 2014	22.28	73 952	3 319	1.20	1.20	129.63	0.22
Dec. 31, 2013	20.45	53 844	2 633	1.21	1.21	169.00	0.34
Series F							
June 30, 2018	28.84	606 434	21 027	0.77	0.77	67.66	0.11
Dec. 31, 2017	28.34	464 161	16 378	0.78	0.78	58.37	0.09
Dec. 31, 2016	26.21	246 363	9 400	0.84 ⁴	0.84	55.55	0.10
Dec. 31, 2015	23.68	149 803	6 326	0.94	0.94	70.55	0.11
Dec. 31, 2014	24.02	122 563	5 103	0.95	0.95	129.63	0.22
Dec. 31, 2013	21.99	77 665	3 532	0.95	0.95	169.00	0.34
Series FT5							
June 30, 2018	26.21	9 107	347	0.76	0.76	67.66	0.11
Dec. 31, 2017	26.43	6 354	240	0.79	0.79	58.37	0.09
Dec. 31, 2016	24.89	1 462	59	0.82 ⁴	0.82	55.55	0.10
Dec. 31, 2015	22.94	717	31	0.96	0.96	70.55	0.11
Dec. 31, 2014 ⁵	23.92	91	4	0.96	0.96	129.63	0.22
Series O							
June 30, 2018	26.92	233 164	8 662	0.02	0.02	67.66	0.11
Dec. 31, 2017	26.35	230 000	8 728	0.03	0.03	58.37	0.09
Dec. 31, 2016	24.30	199 609	8 216	0.02	0.02	55.55	0.10
Dec. 31, 2015	21.95	202 868	9 242	0.02	0.02	70.55	0.11
Dec. 31, 2014	22.28	202 087	9 070	0.02	0.02	129.63	0.22
Dec. 31, 2013	20.21	119 520	5 914	0.02	0.02	169.00	0.34

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, Advisor T5 Series, Series T5, Series D, Series F and Series FT5 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 – 1.93%, Advisor Series – 1.89%, Advisor T5 Series – 1.86%, Series T5 – 1.92%, Series D – 1.04%, Series F – 0.77% and Series FT5 – 0.75%.

⁵ From August 11, 2014.



FINANCIAL HIGHLIGHTS (cont.)

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%
Advisor T5 Series	1.60%	66%	34%
Series T5	1.60%	66%	34%
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.

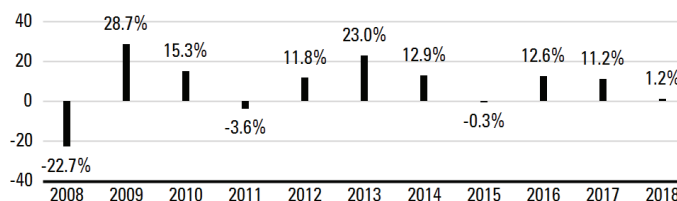
PAST PERFORMANCE

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.

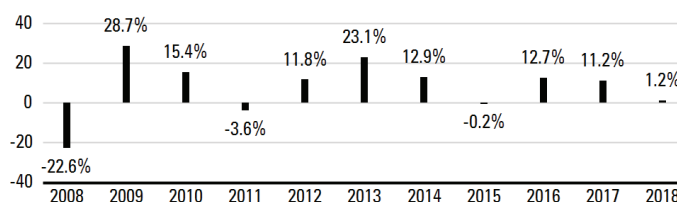
Year-by-Year Returns (%)

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.

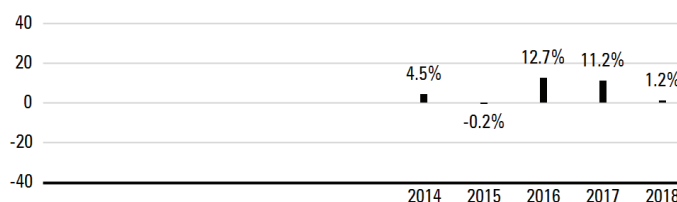
Series A (%)



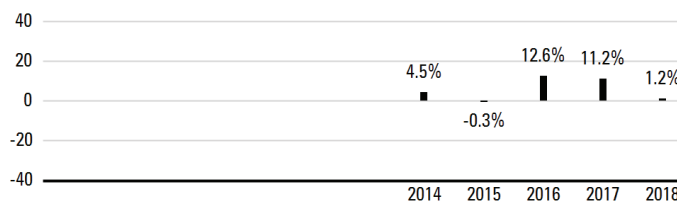
Advisor Series (%)



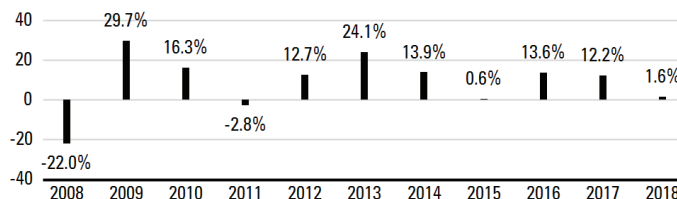
Advisor T5 Series (%)



Series T5 (%)

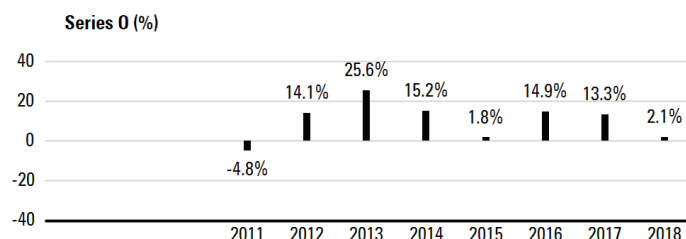
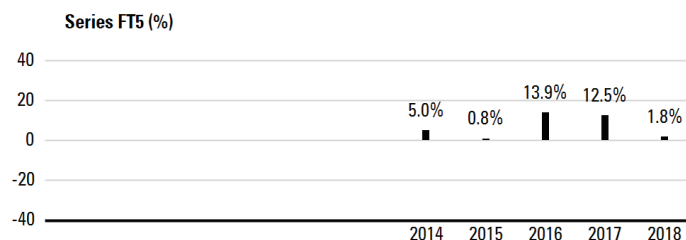
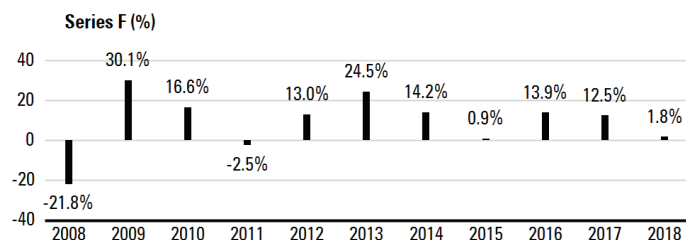


Series D (%)





PAST PERFORMANCE (cont.)



Advisor T5 Series, Series T5 and Series FT5 units have been available for sale to unitholders since August 11, 2014, and Series O units since July 11, 2011.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series H units were re-designated as Series A units and all outstanding Series I units were re-designated as Series F units effective June 30, 2016.

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 – Sectors

	% of Net Asset Value
Financials	28.4
Energy	17.0
Consumer Discretionary	10.5
Industrials	10.1
Information Technology	7.6
Health Care	5.5
Materials	5.1
Consumer Staples	3.3
Telecommunication Services	2.6
Real Estate	1.7
Utilities	1.2
Bonds	0.2
Cash/Other	6.8

Investment Mix – Countries/Regions

	% of Net Asset Value
Canada	58.1
United States	32.2
Other Countries	2.5
Cash/Other	7.2



SUMMARY OF INVESTMENT PORTFOLIO (cont.)

(after consideration of derivative products, if any)

As at June 30, 2018

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	6.7
Bank of Nova Scotia	4.3
Toronto-Dominion Bank	4.0
Royal Bank of Canada	4.0
Brookfield Asset Management Inc., Class A	3.1
Suncor Energy Inc.	2.7
Canadian National Railway Co.	2.6
MEG Energy Corp.	2.1
Alphabet Inc., Class C	2.0
Canadian Natural Resources Ltd.	2.0
Manulife Financial Corporation	1.9
Enbridge Inc.	1.7
JPMorgan Chase & Co.	1.7
UnitedHealth Group Incorporated	1.6
Microsoft Corp.	1.6
Berkshire Hathaway Inc., Class B	1.4
Canadian Pacific Railway Ltd.	1.4
Nutrien Ltd.	1.3
TransCanada Corp.	1.3
Ross Stores Inc.	1.3
Fairfax Financial Holdings Ltd.	1.2
BCE Inc.	1.2
PrairieSky Royalty Ltd.	1.2
Charter Communications Inc.	1.1
Apple Inc.	1.1
Top 25 Holdings	54.5

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.



NORTH AMERICAN EQUITY FUND

RBC NORTH AMERICAN GROWTH 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 in equity securities of Canadian and U.S. companies that offer above-average prospects for growth.

To achieve its goal, the Fund searches for companies with a history of sales and earnings growth and prospects for continued expansion. The Fund may invest in equities of large, medium and small companies, and may also invest in income-trust units.

Results of Operations

The Fund's net asset value was \$542 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 2.8%. 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. stocks slightly outperformed Canadian stocks during the first half of 2018 given the U.S. market's higher exposure to the outperforming Information Technology sector and relatively faster economic growth. U.S. stocks got a boost in early 2018 from enthusiasm that U.S. tax cuts would bolster already strong U.S. economic growth, while Canadian stocks rose on a June rally buoyed by higher oil prices. However, the S&P 500 Index gain did not keep up with the earnings advance on concern that a potential trade war and geopolitical tensions would dampen the corporate outlook in the months ahead.

The Fund's allocation to Canadian stocks underperformed overall. Holdings in Raging River Exploration, Trican Well Service and UrtheCast negatively affected returns. At the sector level, Information Technology and Consumer Staples held back relative returns.

The Fund's allocation to U.S. stocks was in line with the market. The best-performing sectors on a relative basis were Consumer Staples, Health Care and Information Technology, while Energy and Consumer Discretionary lagged. Positions in Adobe Systems, Amazon and Netflix contributed to performance, while holdings in Comcast, Micron Technology and Parker-Hannifin negatively affected returns.

As of June 30, 2018, about 50% of the Fund was invested in Canadian equities and 50% in U.S. equities.

Recent Developments

The bulk of equity gains in recent quarters has been driven by strong corporate profits, which continue to grow at a good clip by post-crisis standards. Stocks in the U.S. are not as cheap as when this bull market began, but it would not be unreasonable to expect further gains as long as profits continue to rise and the U.S. Federal Reserve (the "Fed") raises rates at a measured pace. On the other hand, equities in Canada remain attractively priced.

In the U.S., the Fed has hiked short-term interest rates twice so far in 2018, while the Bank of Canada has hiked them once. The portfolio manager continues to expect the pace of interest rate increases in Canada to continue lagging the U.S.'s, given uncertainty about negotiations involving the North American Free Trade Agreement as well as continued tariffs and protectionist policies by President Trump.

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 \$4,000 (2017 – \$10,000) or 6% (2017 – 14%) 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	Total		
Series A													
June 30, 2018	34.18	0.39	(0.32)	0.12	0.73	0.92	—	—	—	—	—	35.13	
Dec. 31, 2017	32.57	0.79	(0.65)	1.09	1.68	2.91	—	(0.05)	(1.28)	—	(1.33)	34.18	
Dec. 31, 2016	29.43	1.08	(0.60)	1.84	1.24	3.56	—	(0.51)	(0.05)	—	(0.56)	32.57	
Dec. 31, 2015	30.22	0.73	(0.65)	1.52	(1.05)	0.55	—	(0.07)	(1.19)	—	(1.26)	29.43	
Dec. 31, 2014	28.07	0.96	(0.62)	2.51	0.02	2.87	—	(0.30)	(0.40)	—	(0.70)	30.22	
Dec. 31, 2013	23.46	1.05	(0.54)	2.72	1.88	5.11	—	(0.53)	—	—	(0.53)	28.06	
Advisor Series													
June 30, 2018	35.43	0.41	(0.33)	0.13	0.80	1.01	—	—	—	—	—	36.42	
Dec. 31, 2017	33.75	0.82	(0.66)	1.13	1.73	3.02	(0.01)	(0.06)	(1.32)	—	(1.39)	35.43	
Dec. 31, 2016	30.50	1.12	(0.61)	1.91	0.92	3.34	—	(0.54)	(0.05)	—	(0.59)	33.75	
Dec. 31, 2015	31.30	0.75	(0.66)	1.57	(1.08)	0.58	—	(0.09)	(1.22)	—	(1.31)	30.50	
Dec. 31, 2014	29.04	1.00	(0.63)	2.60	0.02	2.99	—	(0.29)	(0.40)	—	(0.69)	31.30	
Dec. 31, 2013	24.14	1.09	(0.55)	2.81	1.95	5.30	—	(0.40)	—	—	(0.40)	29.03	
Series D													
June 30, 2018	34.83	0.40	(0.18)	0.12	0.79	1.13	—	—	—	—	—	35.95	
Dec. 31, 2017	33.19	0.81	(0.36)	1.12	1.72	3.29	(0.03)	(0.35)	(1.31)	—	(1.69)	34.83	
Dec. 31, 2016	30.00	1.10	(0.35)	1.88	1.40	4.03	—	(0.82)	(0.05)	—	(0.87)	33.19	
Dec. 31, 2015	30.81	0.74	(0.39)	1.55	(1.07)	0.83	—	(0.35)	(1.22)	—	(1.57)	30.00	
Dec. 31, 2014	28.59	0.98	(0.37)	2.56	0.02	3.19	—	(0.55)	(0.40)	—	(0.95)	30.81	
Dec. 31, 2013	23.85	1.07	(0.32)	2.77	1.92	5.44	—	(0.75)	—	—	(0.75)	28.58	
Series F													
June 30, 2018	37.42	0.43	(0.14)	0.13	0.88	1.30	—	—	—	—	—	38.68	
Dec. 31, 2017	35.67	0.87	(0.29)	1.21	2.02	3.81	(0.04)	(0.48)	(1.41)	—	(1.93)	37.42	
Dec. 31, 2016	32.23	1.20	(0.28)	2.05	2.55	5.52	—	(0.98)	(0.05)	—	(1.03)	35.67	
Dec. 31, 2015	33.10	0.80	(0.32)	1.67	(1.15)	1.00	—	(0.47)	(1.31)	—	(1.78)	32.23	
Dec. 31, 2014	30.64	1.06	(0.31)	2.76	0.02	3.53	—	(0.59)	(0.44)	—	(1.03)	33.10	
Dec. 31, 2013	25.50	1.15	(0.27)	2.98	2.06	5.92	—	(0.80)	—	—	(0.80)	30.63	
Series O													
June 30, 2018	39.59	0.46	—	0.14	0.97	1.57	—	—	—	—	—	41.07	
Dec. 31, 2017	37.75	0.93	(0.01)	1.28	1.95	4.15	(0.07)	(0.80)	(1.50)	—	(2.37)	39.59	
Dec. 31, 2016	34.09	1.26	(0.01)	2.16	1.78	5.19	—	(1.34)	(0.05)	—	(1.39)	37.75	
Dec. 31, 2015	35.03	0.85	(0.01)	1.78	(1.23)	1.39	—	(0.83)	(1.40)	—	(2.23)	34.09	
Dec. 31, 2014	32.48	1.12	(0.01)	2.93	0.02	4.06	—	(1.01)	(0.46)	—	(1.47)	35.03	
Dec. 31, 2013	26.21	1.09	(0.01)	2.83	1.96	5.87	—	(0.15)	—	—	(0.15)	32.47	

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.



FINANCIAL HIGHLIGHTS (cont.)

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	35.13	446 914	12 721	1.92	1.92	15.23	0.02
Dec. 31, 2017	34.18	465 458	13 618	1.92	1.92	15.80	0.02
Dec. 31, 2016	32.57	475 345	14 596	2.00 ⁴	2.00	152.07	0.10
Dec. 31, 2015	29.43	478 597	16 262	2.09	2.09	139.89	0.09
Dec. 31, 2014	30.22	520 202	17 213	2.09	2.09	182.73	0.14
Dec. 31, 2013	28.07	515 703	18 371	2.09	2.09	134.47	0.16
Advisor Series							
June 30, 2018	36.42	2 741	75	1.89	1.89	15.23	0.02
Dec. 31, 2017	35.43	2 839	80	1.89	1.89	15.80	0.02
Dec. 31, 2016	33.75	2 986	88	1.97 ⁴	1.97	152.07	0.10
Dec. 31, 2015	30.50	3 238	106	2.05	2.05	139.89	0.09
Dec. 31, 2014	31.30	2 921	93	2.05	2.05	182.73	0.14
Dec. 31, 2013	29.04	2 216	76	2.08	2.08	134.47	0.16
Series D							
June 30, 2018	35.95	40 894	1 138	1.04	1.04	15.23	0.02
Dec. 31, 2017	34.83	38 806	1 114	1.05	1.05	15.80	0.02
Dec. 31, 2016	33.19	34 589	1 042	1.12 ⁴	1.12	152.07	0.10
Dec. 31, 2015	30.00	30 982	1 033	1.21	1.21	139.89	0.09
Dec. 31, 2014	30.81	29 434	955	1.21	1.21	182.73	0.14
Dec. 31, 2013	28.59	25 417	889	1.21	1.21	134.47	0.16
Series F							
June 30, 2018	38.68	45 577	1 178	0.76	0.76	15.23	0.02
Dec. 31, 2017	37.42	33 629	899	0.77	0.77	15.80	0.02
Dec. 31, 2016	35.67	14 059	394	0.83 ⁴	0.83	152.07	0.10
Dec. 31, 2015	32.23	4 291	133	0.94	0.94	139.89	0.09
Dec. 31, 2014	33.10	3 207	97	0.95	0.95	182.73	0.14
Dec. 31, 2013	30.64	2 255	74	0.94	0.94	134.47	0.16
Series O							
June 30, 2018	41.07	5 786	141	0.02	0.02	15.23	0.02
Dec. 31, 2017	39.59	5 081	128	0.02	0.02	15.80	0.02
Dec. 31, 2016	37.75	3 624	96	0.02	0.02	152.07	0.10
Dec. 31, 2015	34.09	2 755	81	0.02	0.02	139.89	0.09
Dec. 31, 2014	35.03	2 352	67	0.02	0.02	182.73	0.14
Dec. 31, 2013	32.48	1 736	53	0.02	0.02	134.47	0.16

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 – 1.92%, Advisor Series – 1.88%, Series D – 1.04% and Series F – 0.78%.



FINANCIAL HIGHLIGHTS (cont.)

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 D	0.85%	25%	75%
Series F	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.

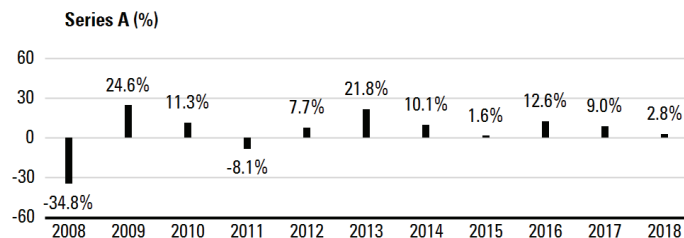
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

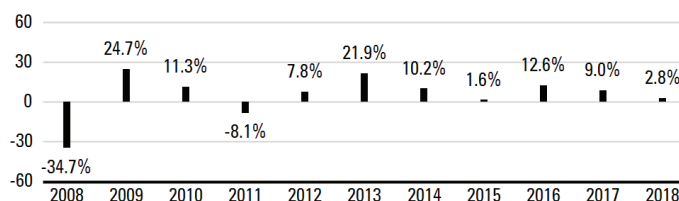
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

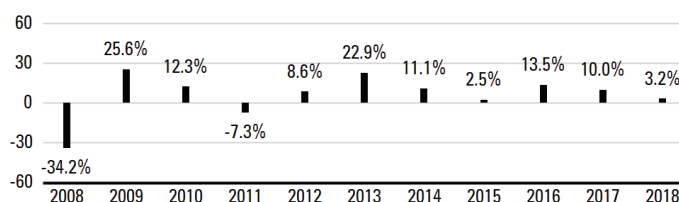
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



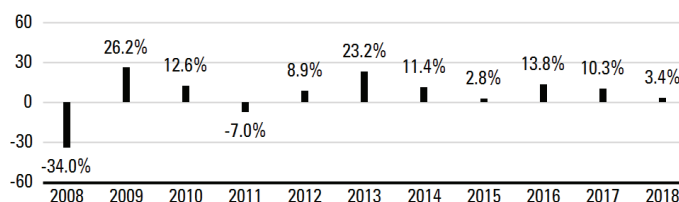
Advisor Series (%)



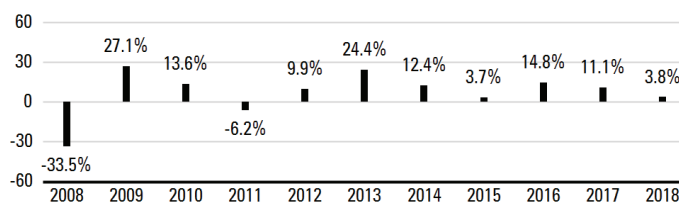
Series D (%)



Series F (%)



Series O (%)



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 – Sectors

	% of Net Asset Value
Financials	26.0
Information Technology	14.9
Energy	14.2
Industrials	9.5
Consumer Discretionary	8.9
Health Care	6.9
Materials	6.8
Consumer Staples	4.9
Telecommunication Services	3.0
Real Estate	2.4
Utilities	2.4
Cash/Other	0.1

Investment Mix – Countries/Regions

	% of Net Asset Value
Canada	52.4
United States	44.6
Other Countries	2.1
Cash/Other	0.9

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	4.1
Toronto-Dominion Bank	3.8
Bank of Nova Scotia	2.7
Canadian National Railway Co.	2.3
Suncor Energy Inc.	2.3
Bank of Montreal	2.0
Apple Inc.	1.9
Enbridge Inc.	1.8
Microsoft Corp.	1.7
Amazon.com, Inc.	1.6
Alphabet Inc., Class A	1.5
Canadian Natural Resources Ltd.	1.5
TransCanada Corp.	1.4
Canadian Imperial Bank of Commerce	1.4
Manulife Financial Corporation	1.4
Brookfield Asset Management Inc., Class A	1.3
Nutrien Ltd.	1.3
Facebook Inc., Class A	1.1
Canadian Pacific Railway Ltd.	1.1
JPMorgan Chase & Co.	0.9
BCE Inc.	0.9
Sun Life Financial Inc.	0.9
Magna International Inc., Class A	0.8
UnitedHealth Group Incorporated	0.7
Bank of America Corp.	0.7
Top 25 Holdings	41.1

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.



U.S. EQUITY FUND

RBC U.S. DIVIDEND 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 invests primarily in common and preferred shares of major U.S. companies with above-average dividend yields in order to provide targeted exposure to opportunities in U.S. equity markets. Stocks that qualify as investments will generally carry above-average dividend yields and offer the potential for increased payouts.

Results of Operations

The Fund's net asset value was \$4.2 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 2.2%. 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.

The Fund's underweight allocations to the Consumer Discretionary and Information Technology sectors hurt relative performance. Many companies in these sectors do not pay dividends, and it is therefore difficult for the Fund to keep pace when these sectors outperform. The Fund did not own Amazon, Netflix and Adobe Systems, none of which pay dividends but all of which outperformed. In addition, overweight allocations to tobacco companies Altria Group and Philip Morris International hurt performance. Philip Morris fell on weak earnings driven largely by lower-than-expected sales of its smokeless product in Japan. Security selection was an overall negative for the Fund's performance.

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.

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 even higher. 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 rest 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 \$252,000 (2017 – \$175,000) or 10% (2017 – 10%) 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	Total	
Series A												
June 30, 2018	27.44	0.31	(0.26)	0.81	(0.27)	0.59	—	(0.04)	—	—	(0.04)	28.00
Dec. 31, 2017	25.27	0.61	(0.51)	0.97	1.79	2.86	—	(0.08)	(0.65)	—	(0.73)	27.44
Dec. 31, 2016	24.07	0.58	(0.47)	0.54	0.83	1.48	—	(0.11)	(0.28)	—	(0.39)	25.27
Dec. 31, 2015	21.63	0.63	(0.49)	1.96	2.11	4.21	—	(0.02)	(1.08)	—	(1.10)	24.07
Dec. 31, 2014	20.24	0.49	(0.44)	2.86	1.13	4.04	—	(0.02)	(2.44)	—	(2.46)	21.63
Dec. 31, 2013	15.70	0.48	(0.38)	2.14	3.01	5.25	—	(0.08)	(0.55)	—	(0.63)	20.24
Advisor Series												
June 30, 2018	27.47	0.31	(0.26)	0.81	(0.26)	0.60	—	(0.05)	—	—	(0.05)	28.03
Dec. 31, 2017	25.30	0.61	(0.50)	0.97	1.78	2.86	—	(0.09)	(0.65)	—	(0.74)	27.47
Dec. 31, 2016	24.09	0.58	(0.46)	0.54	0.78	1.44	—	(0.11)	(0.29)	—	(0.40)	25.30
Dec. 31, 2015	21.64	0.64	(0.49)	1.99	2.14	4.28	—	(0.02)	(1.08)	—	(1.10)	24.09
Dec. 31, 2014	20.26	0.48	(0.43)	2.82	1.11	3.98	—	(0.03)	(2.44)	—	(2.47)	21.64
Dec. 31, 2013	15.71	0.48	(0.37)	2.14	3.01	5.26	—	(0.08)	(0.55)	—	(0.63)	20.26
Advisor T5 Series												
June 30, 2018	25.13	0.31	(0.26)	0.81	(0.34)	0.52	—	(0.36)	—	(0.27)	(0.63)	25.04
Dec. 31, 2017	23.66	0.61	(0.50)	0.97	1.53	2.61	—	(0.10)	(0.58)	(0.50)	(1.18)	25.13
Dec. 31, 2016	23.37	0.58	(0.46)	0.54	1.03	1.69	—	(0.10)	(0.28)	(0.79)	(1.17)	23.66
Dec. 31, 2015	21.35	0.64	(0.49)	1.99	2.14	4.28	—	(0.07)	(1.37)	—	(1.44)	23.37
Dec. 31, 2014 ³	19.89 [†]	0.48	(0.43)	2.82	1.11	3.98	—	—	(1.33)	—	(1.33)	21.35
Series T5												
June 30, 2018	25.51	0.28	(0.24)	0.74	(0.29)	0.49	—	(0.36)	—	(0.28)	(0.64)	25.42
Dec. 31, 2017	24.02	0.56	(0.46)	0.90	1.70	2.70	—	(0.11)	(0.57)	(0.52)	(1.20)	25.51
Dec. 31, 2016	23.72	0.56	(0.44)	0.52	0.74	1.38	—	(0.11)	(0.25)	(0.83)	(1.19)	24.02
Dec. 31, 2015	21.41	0.62	(0.47)	1.91	2.05	4.11	—	(0.05)	(1.09)	—	(1.14)	23.72
Dec. 31, 2014	19.75	0.47	(0.42)	2.76	1.09	3.90	—	(0.03)	(2.04)	—	(2.07)	21.41
Dec. 31, 2013	15.57	0.44	(0.36)	1.97	2.77	4.82	—	(0.08)	(0.79)	—	(0.87)	19.75
Series T8												
June 30, 2018	11.75	0.13	(0.11)	0.34	(0.12)	0.24	—	(0.15)	—	(0.32)	(0.47)	11.53
Dec. 31, 2017	11.40	0.26	(0.21)	0.42	0.70	1.17	—	(0.05)	(0.24)	(0.62)	(0.91)	11.75
Dec. 31, 2016	11.63	0.27	(0.21)	0.25	0.32	0.63	—	(0.05)	(0.12)	(0.76)	(0.93)	11.40
Dec. 31, 2015	10.77	0.30	(0.23)	0.94	1.01	2.02	—	(0.03)	(0.54)	(0.29)	(0.86)	11.63
Dec. 31, 2014	10.02	0.23	(0.21)	1.38	0.54	1.94	—	(0.02)	(0.93)	(0.17)	(1.12)	10.77
Dec. 31, 2013	8.09	0.24	(0.18)	1.07	1.51	2.64	—	(0.05)	(0.27)	(0.33)	(0.65)	10.02



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		
											Total	
Series D												
June 30, 2018	28.18	0.31	(0.15)	0.83	(0.26)	0.73	—	(0.17)	—	—	(0.17)	28.74
Dec. 31, 2017	25.94	0.62	(0.28)	0.99	1.81	3.14	—	(0.34)	(0.65)	—	(0.99)	28.18
Dec. 31, 2016	24.69	0.59	(0.27)	0.56	0.84	1.72	—	(0.31)	(0.29)	—	(0.60)	25.94
Dec. 31, 2015	22.15	0.65	(0.29)	2.01	2.16	4.53	—	(0.21)	(1.10)	—	(1.31)	24.69
Dec. 31, 2014	20.73	0.50	(0.26)	2.93	1.15	4.32	—	(0.20)	(2.51)	—	(2.71)	22.15
Dec. 31, 2013	16.05	0.49	(0.23)	2.18	3.07	5.51	—	(0.23)	(0.55)	—	(0.78)	20.73
Series F												
June 30, 2018	30.13	0.34	(0.12)	0.89	(0.32)	0.79	—	(0.22)	—	—	(0.22)	30.74
Dec. 31, 2017	27.73	0.66	(0.22)	1.06	2.04	3.54	—	(0.43)	(0.69)	—	(1.12)	30.13
Dec. 31, 2016	26.40	0.63	(0.22)	0.60	1.48	2.49	—	(0.40)	(0.31)	—	(0.71)	27.73
Dec. 31, 2015	23.68	0.70	(0.24)	2.15	2.31	4.92	—	(0.29)	(1.17)	—	(1.46)	26.40
Dec. 31, 2014	22.17	0.53	(0.21)	3.09	1.22	4.63	—	(0.27)	(2.69)	—	(2.96)	23.68
Dec. 31, 2013	17.15	0.52	(0.19)	2.30	3.24	5.87	—	(0.29)	(0.58)	—	(0.87)	22.16
Series FT5												
June 30, 2018	28.30	0.31	(0.11)	0.82	(1.02)	—	—	(0.62)	—	(0.09)	(0.71)	28.37
Dec. 31, 2017	26.35	0.62	(0.21)	0.99	1.88	3.28	—	(0.40)	(0.75)	(0.17)	(1.32)	28.30
Dec. 31, 2016	25.72	0.60	(0.21)	0.57	1.58	2.54	—	(0.37)	(0.42)	(0.49)	(1.28)	26.35
Dec. 31, 2015	23.43	0.62	(0.23)	1.93	2.07	4.39	—	(0.31)	(1.48)	—	(1.79)	25.72
Dec. 31, 2014 ³	21.79 [†]	0.18	(0.10)	1.05	0.41	1.54	—	(0.03)	(1.48)	—	(1.51)	23.43
Series O												
June 30, 2018	29.53	0.33	—	0.87	(0.25)	0.95	—	(0.33)	—	—	(0.33)	30.12
Dec. 31, 2017	27.19	0.65	(0.01)	1.04	2.08	3.76	—	(0.65)	(0.68)	—	(1.33)	29.53
Dec. 31, 2016	25.89	0.62	(0.01)	0.58	1.31	2.50	—	(0.60)	(0.32)	—	(0.92)	27.19
Dec. 31, 2015	23.23	0.54	(0.01)	1.66	1.79	3.98	—	(0.51)	(1.16)	—	(1.67)	25.89
Dec. 31, 2014	21.78	0.52	(0.01)	3.07	1.21	4.79	—	(0.47)	(2.69)	—	(3.16)	23.23
Dec. 31, 2013	16.82	0.50	—	2.23	3.14	5.87	—	(0.43)	(0.57)	—	(1.00)	21.78

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 August 11, 2014.

[†] 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	28.00	792 234	28 299	1.93	1.93	117.43	0.12
Dec. 31, 2017	27.44	810 315	29 528	1.94	1.94	89.68	0.09
Dec. 31, 2016	25.27	731 326	28 936	2.00 ⁴	2.00	121.06	0.11
Dec. 31, 2015	24.07	746 420	31 013	2.09	2.09	205.51	0.17
Dec. 31, 2014	21.63	527 594	24 397	2.08	2.08	299.68	0.24
Dec. 31, 2013	20.24	369 340	18 244	2.09	2.09	272.14	0.32



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
Advisor Series							
June 30, 2018	28.03	258 791	9 233	1.89	1.89	117.43	0.12
Dec. 31, 2017	27.47	266 663	9 706	1.89	1.89	89.68	0.09
Dec. 31, 2016	25.30	271 832	10 745	1.97 ⁴	1.97	121.06	0.11
Dec. 31, 2015	24.09	287 795	11 947	2.07	2.07	205.51	0.17
Dec. 31, 2014	21.64	243 718	11 263	2.05	2.05	299.68	0.24
Dec. 31, 2013	20.26	137 259	6 774	2.05	2.05	272.14	0.32
Advisor T5 Series							
June 30, 2018	25.04	2 225	89	1.90	1.90	117.43	0.12
Dec. 31, 2017	25.13	2 043	81	1.92	1.92	89.68	0.09
Dec. 31, 2016	23.66	1 310	55	1.99 ⁴	1.99	121.06	0.11
Dec. 31, 2015	23.37	1 109	47	1.94	1.94	205.51	0.17
Dec. 31, 2014 ⁵	21.35	121	6	2.09	2.09	299.68	0.24
Series T5							
June 30, 2018	25.42	4 374	172	1.89	1.89	117.43	0.12
Dec. 31, 2017	25.51	3 971	156	1.90	1.90	89.68	0.09
Dec. 31, 2016	24.02	3 679	153	1.96 ⁴	1.96	121.06	0.11
Dec. 31, 2015	23.72	3 903	165	2.04	2.04	205.51	0.17
Dec. 31, 2014	21.41	2 999	140	2.05	2.05	299.68	0.24
Dec. 31, 2013	19.75	1 805	91	2.02	2.02	272.14	0.32
Series T8							
June 30, 2018	11.53	6 997	607	1.88	1.88	117.43	0.12
Dec. 31, 2017	11.75	6 398	545	1.87	1.87	89.68	0.09
Dec. 31, 2016	11.40	7 234	635	1.94 ⁴	1.94	121.06	0.11
Dec. 31, 2015	11.63	8 221	707	2.04	2.04	205.51	0.17
Dec. 31, 2014	10.77	5 838	542	2.05	2.05	299.68	0.24
Dec. 31, 2013	10.02	3 391	338	2.03	2.03	272.14	0.32
Series D							
June 30, 2018	28.74	76 045	2 646	1.05	1.05	117.43	0.12
Dec. 31, 2017	28.18	71 684	2 544	1.05	1.05	89.68	0.09
Dec. 31, 2016	25.94	52 156	2 011	1.12 ⁴	1.12	121.06	0.11
Dec. 31, 2015	24.69	54 023	2 188	1.19	1.19	205.51	0.17
Dec. 31, 2014	22.15	34 753	1 569	1.19	1.19	299.68	0.24
Dec. 31, 2013	20.73	20 520	990	1.22	1.22	272.14	0.32
Series F							
June 30, 2018	30.74	373 386	12 147	0.77	0.77	117.43	0.12
Dec. 31, 2017	30.13	311 542	10 340	0.78	0.78	89.68	0.09
Dec. 31, 2016	27.73	200 387	7 225	0.84 ⁴	0.84	121.06	0.11
Dec. 31, 2015	26.40	136 453	5 170	0.93	0.93	205.51	0.17
Dec. 31, 2014	23.68	94 864	4 006	0.94	0.94	299.68	0.24
Dec. 31, 2013	22.17	52 099	2 350	0.95	0.95	272.14	0.32
Series FT5							
June 30, 2018	28.37	4 229	149	0.77	0.77	117.43	0.12
Dec. 31, 2017	28.30	2 685	95	0.77	0.77	89.68	0.09
Dec. 31, 2016	26.35	1 204	46	0.83 ⁴	0.83	121.06	0.11
Dec. 31, 2015	25.72	611	24	0.90	0.90	205.51	0.17
Dec. 31, 2014 ⁵	23.43	22	1	0.89	0.89	299.68	0.24



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 O							
June 30, 2018	30.12	2 703 776	89 754	0.03	0.03	117.43	0.12
Dec. 31, 2017	29.53	2 535 173	85 852	0.04	0.04	89.68	0.09
Dec. 31, 2016	27.19	1 774 593	65 261	0.02	0.02	121.06	0.11
Dec. 31, 2015	25.89	1 378 762	53 260	0.02	0.02	205.51	0.17
Dec. 31, 2014	23.23	167 808	7 223	0.02	0.02	299.68	0.24
Dec. 31, 2013	21.78	107 685	4 944	0.02	0.02	272.14	0.32

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, Advisor T5 Series, Series T5, Series T8, Series D, Series F and Series FT5 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 – 1.92%, Advisor Series – 1.88%, Advisor T5 Series – 1.91%, Series T5 – 1.88%, Series T8 – 1.86%, Series D – 1.04%, Series F – 0.77% and Series FT5 – 0.76%.

⁵ From August 11, 2014.

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%
Advisor T5 Series	1.60%	66%	34%
Series T5	1.60%	66%	34%
Series T8	1.60%	66%	34%
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.

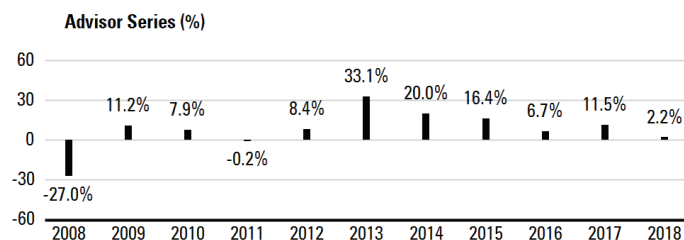
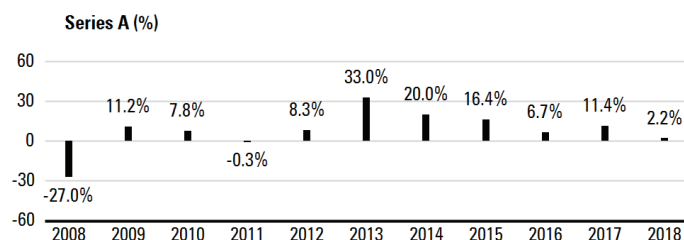


PAST PERFORMANCE

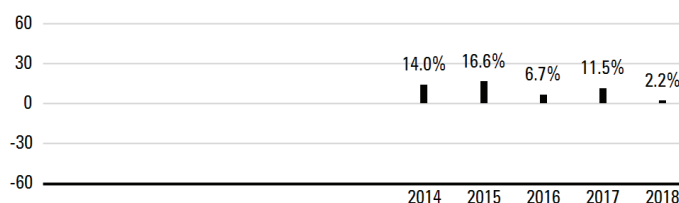
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

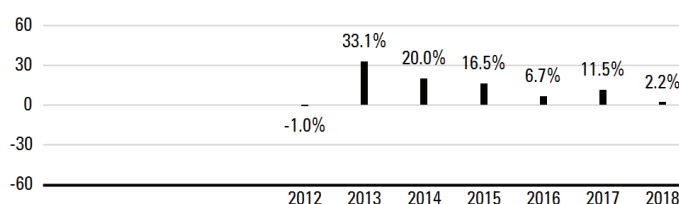
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



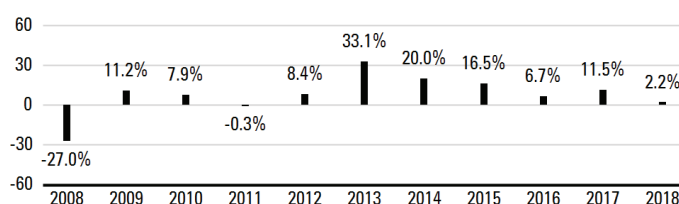
Advisor T5 Series (%)



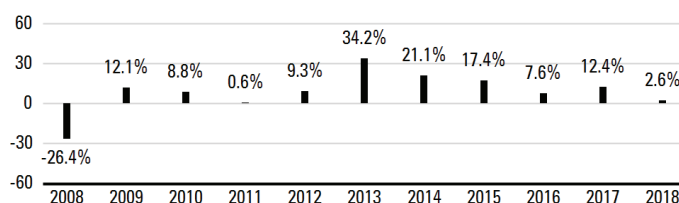
Series T5 (%)



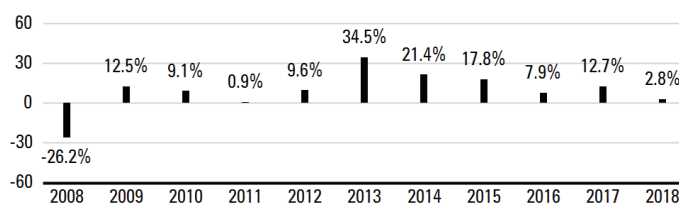
Series T8 (%)



Series D (%)

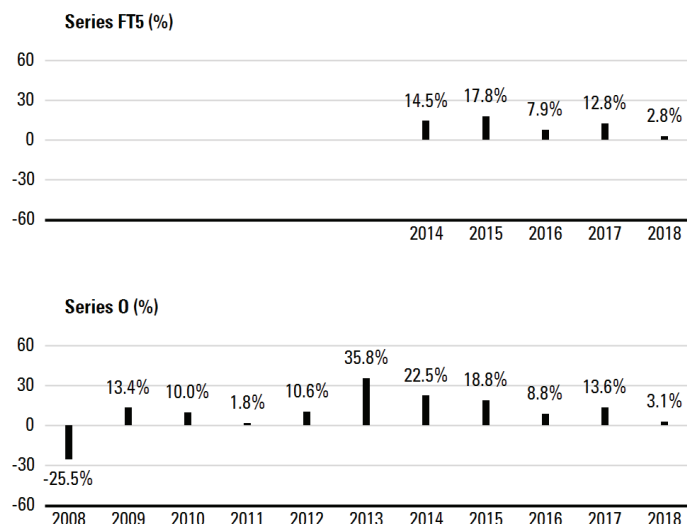


Series F (%)





PAST PERFORMANCE (cont.)



Advisor T5 Series and Series FT5 units have been available for sale to unitholders since August 11, 2014, and Series T5 units since September 24, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series H units were re-designated as Series A units and all outstanding Series I units were re-designated as Series F units effective June 30, 2016.

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	19.9
Health Care	15.7
Financials	12.4
Industrials	9.7
Consumer Staples	9.1
Consumer Discretionary	9.0
Energy	7.1
Utilities	4.7
Underlying Funds	4.3
Materials	3.1
Real Estate	1.0
Telecommunication Services	1.0
Cash/Other	3.0

Top 25 Holdings

	% of Net Asset Value
Microsoft Corp.	4.8
Apple Inc.	4.6
Cash & Cash Equivalents	3.0
Cisco Systems Inc.	2.9
JPMorgan Chase & Co.	2.5
Intel Corp.	2.4
Texas Instruments Inc.	2.3
Chevron Corp.	2.3
Bank of America Corp.	2.1
Altria Group Inc.	2.1
UnitedHealth Group Incorporated	2.1
Broadcom Inc.	2.1
Johnson & Johnson	2.0
Philip Morris International Inc.	2.0
Union Pacific Corp.	2.0
Home Depot Inc.	1.6
LyondellBasell Industries N.V.	1.6
DowDuPont Inc.	1.5
Anthem Inc.	1.5
Boeing Co.	1.5
NextEra Energy Inc.	1.4
Amgen Inc.	1.4
Merck & Co. Inc.	1.3
ConocoPhillips	1.3
Dollar General Corp.	1.2
Top 25 Holdings	53.5

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.



U.S. EQUITY FUND

**RBC U.S. DIVIDEND
CURRENCY NEUTRAL 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 achieve long-term capital growth and regular dividend income through investing primarily in common and preferred shares of U.S. companies with above-average dividend yields while minimizing the exposure to currency fluctuations between the U.S. and Canadian dollars. The Fund may also invest in other mutual funds managed by RBC GAM or an affiliate.

The portfolio manager selects companies with a sustainable dividend and good long-term prospects of growing their dividends and with potential to create value through events such as stock buybacks, takeovers and the reduction of debt. The Fund uses currency hedges to minimize the impact of fluctuations in the U.S. dollar versus the Canadian dollar.

Results of Operations

The Fund's net asset value was \$38 million as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 2.7%. 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.

The Fund's underweight allocations to the Consumer Discretionary and Information Technology sectors hurt relative performance. Many companies in these sectors do not pay dividends, and it is therefore difficult for the Fund to keep pace when these sectors outperform. The Fund did not own Amazon, Netflix and Adobe Systems, none of which pay dividends but all of which outperformed. In addition, overweight allocations to tobacco companies Altria Group and Philip Morris International hurt performance. Philip Morris fell on weak earnings driven largely by lower-than-expected sales of its smokeless product in Japan. Security selection was an overall negative for the Fund's performance.

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.

It is the policy of the Fund to maintain currency hedges in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. Given this approach, unitholders did not benefit from the U.S. dollar's rise against the Canadian dollar during the period.

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 even higher. 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 rest 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 \$2,000 (2017 – \$0) or 9% (2017 – 0%) 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	Total	
Series A												
June 30, 2018	12.60	0.14	(0.12)	(0.36)	(0.05)	(0.39)	—	(0.01)	—	—	(0.01)	12.25
Dec. 31, 2017	10.83	0.25	(0.23)	0.17	1.87	2.06	—	—	(0.16)	—	(0.16)	12.60
Dec. 31, 2016 ³	10.00 [†]	0.14	(0.13)	(0.16)	1.07	0.92	—	(0.03)	—	—	(0.03)	10.83
Advisor Series												
June 30, 2018	12.61	0.14	(0.11)	(0.35)	(0.37)	(0.69)	—	(0.01)	—	—	(0.01)	12.26
Dec. 31, 2017	10.83	0.31	(0.22)	0.21	1.60	1.90	—	(0.01)	(0.16)	—	(0.17)	12.61
Dec. 31, 2016 ³	10.00 [†]	0.16	(0.13)	(0.18)	0.86	0.71	—	(0.03)	—	—	(0.03)	10.83
Advisor T5 Series												
June 30, 2018	11.83	0.14	(0.11)	(0.35)	—	(0.32)	—	(0.09)	—	(0.20)	(0.29)	11.21
Dec. 31, 2017	10.52	0.31	(0.22)	0.21	1.53	1.83	—	(0.02)	(0.15)	(0.36)	(0.53)	11.83
Dec. 31, 2016 ³	10.00 [†]	0.16	(0.13)	(0.18)	1.25	1.10	—	(0.02)	—	(0.31)	(0.33)	10.52
Series T5												
June 30, 2018	11.85	0.13	(0.11)	(0.34)	(0.04)	(0.36)	—	(0.19)	—	(0.11)	(0.30)	11.24
Dec. 31, 2017	10.52	0.18	(0.21)	0.12	2.11	2.20	—	(0.03)	(0.31)	(0.19)	(0.53)	11.85
Dec. 31, 2016 ³	10.00 [†]	0.17	(0.12)	(0.19)	0.99	0.85	—	(0.04)	—	(0.29)	(0.33)	10.52
Series D												
June 30, 2018	12.60	0.14	(0.06)	(0.36)	(0.17)	(0.45)	—	(0.06)	—	—	(0.06)	12.25
Dec. 31, 2017	10.84	0.27	(0.12)	0.19	1.79	2.13	—	(0.13)	(0.16)	—	(0.29)	12.60
Dec. 31, 2016 ³	10.00 [†]	0.16	(0.07)	(0.19)	0.94	0.84	—	(0.07)	—	—	(0.07)	10.84
Series F												
June 30, 2018	12.61	0.14	(0.05)	(0.36)	(0.15)	(0.42)	—	(0.08)	—	—	(0.08)	12.27
Dec. 31, 2017	10.84	0.27	(0.09)	0.19	1.79	2.16	—	(0.13)	(0.17)	—	(0.30)	12.61
Dec. 31, 2016 ³	10.00 [†]	0.15	(0.05)	(0.17)	1.02	0.95	—	(0.09)	—	—	(0.09)	10.84
Series FT5												
June 30, 2018	12.07	0.13	(0.04)	(0.35)	0.02	(0.24)	—	(0.06)	—	(0.24)	(0.30)	11.52
Dec. 31, 2017	10.59	0.38	(0.08)	0.27	(3.18)	(2.61)	—	(0.09)	(0.02)	(0.42)	(0.53)	12.07
Dec. 31, 2016 ³	10.00 [†]	0.17	(0.05)	(0.20)	1.00	0.92	—	(0.10)	—	(0.23)	(0.33)	10.59
Series O												
June 30, 2018	12.63	0.14	—	(0.36)	(0.02)	(0.24)	—	(0.12)	—	—	(0.12)	12.28
Dec. 31, 2017	10.85	0.27	—	0.19	1.94	2.40	—	(0.23)	(0.16)	—	(0.39)	12.63
Dec. 31, 2016 ³	10.00 [†]	0.17	(0.01)	(0.20)	1.02	0.98	—	(0.13)	—	—	(0.13)	10.85

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 May 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	12.25	17 139	1 399	1.89	1.89	121.50	0.13
Dec. 31, 2017	12.60	12 256	973	1.96	1.98	86.07	0.10
Dec. 31, 2016 ⁴	10.83	913	84	1.93	1.97	54.56	0.07
Advisor Series							
June 30, 2018	12.26	982	80	1.86	1.86	121.50	0.13
Dec. 31, 2017	12.61	329	26	1.85	1.87	86.07	0.10
Dec. 31, 2016 ⁴	10.83	154	14	1.84	1.88	54.56	0.07
Advisor T5 Series							
June 30, 2018	11.21	34	3	1.96	1.96	121.50	0.13
Dec. 31, 2017	11.83	36	3	1.96	1.98	86.07	0.10
Dec. 31, 2016 ⁴	10.52	32	3	1.79	1.82	54.56	0.07
Series T5							
June 30, 2018	11.24	162	14	1.91	1.91	121.50	0.13
Dec. 31, 2017	11.85	153	13	1.80	1.82	86.07	0.10
Dec. 31, 2016 ⁴	10.52	1	—	1.79	1.82	54.56	0.07
Series D							
June 30, 2018	12.25	1 916	156	1.05	1.05	121.50	0.13
Dec. 31, 2017	12.60	1 404	112	1.03	1.05	86.07	0.10
Dec. 31, 2016 ⁴	10.84	180	17	1.01	1.05	54.56	0.07
Series F							
June 30, 2018	12.27	7 896	644	0.78	0.78	121.50	0.13
Dec. 31, 2017	12.61	4 010	318	0.79	0.81	86.07	0.10
Dec. 31, 2016 ⁴	10.84	794	73	0.77	0.81	54.56	0.07
Series FT5							
June 30, 2018	11.52	1	—	0.74	0.74	121.50	0.13
Dec. 31, 2017	12.07	1	—	0.74	0.76	86.07	0.10
Dec. 31, 2016 ⁴	10.59	1	—	0.74	0.77	54.56	0.07
Series O							
June 30, 2018	12.28	9 853	802	0.03	0.03	121.50	0.13
Dec. 31, 2017	12.63	7 876	624	0.04	0.06	86.07	0.10
Dec. 31, 2016 ⁴	10.85	2 309	213	0.02	0.06	54.56	0.07

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 From May 4, 2016.



FINANCIAL HIGHLIGHTS (cont.)

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%	63%	37%
Advisor Series	1.60%	63%	37%
Advisor T5 Series	1.60%	63%	37%
Series T5	1.60%	63%	37%
Series D	0.85%	29%	71%
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 A (%)



Advisor Series (%)



Advisor T5 Series (%)



Series T5 (%)

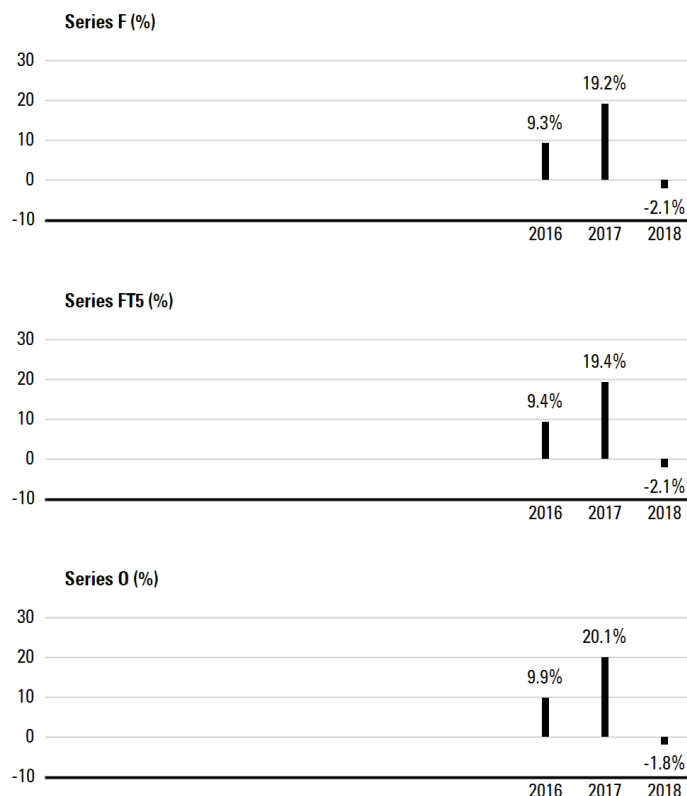


Series D (%)





PAST PERFORMANCE (cont.)



Series A, Advisor Series, Advisor T5 Series, Series T5, Series D, Series F, Series FT5 and Series O units have been available for sale to unitholders since May 16, 2016.

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	19.4
Health Care	15.2
Financials	11.8
Industrials	9.3
Consumer Discretionary	9.0
Consumer Staples	8.8
Energy	7.1
Underlying Funds	6.5
Utilities	4.5
Materials	3.0
Real Estate	1.0
Telecommunication Services	1.0
Cash/Other	3.4

Top 25 Holdings

	% of Net Asset Value
Microsoft Corp.	4.8
Apple Inc.	4.4
Cash & Cash Equivalents	3.3
Cisco Systems Inc.	2.8
Intel Corp.	2.4
JPMorgan Chase & Co.	2.3
Texas Instruments Inc.	2.3
Chevron Corp.	2.1
UnitedHealth Group Incorporated	2.0
Bank of America Corp.	2.0
Broadcom Inc.	2.0
Altria Group Inc.	2.0
Johnson & Johnson	2.0
Philip Morris International Inc.	2.0
Union Pacific Corp.	1.9
Anthem Inc.	1.7
Home Depot Inc.	1.6
LyondellBasell Industries N.V.	1.5
Boeing Co.	1.5
DowDuPont Inc.	1.5
NextEra Energy Inc.	1.4
Amgen Inc.	1.3
Merck & Co. Inc.	1.3
ConocoPhillips	1.3
Dollar General Corp.	1.3
Top 25 Holdings	52.7

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.



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	Total	
		Series 0										
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, 2017⁵	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.

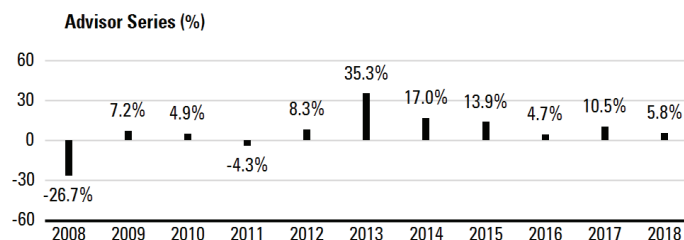
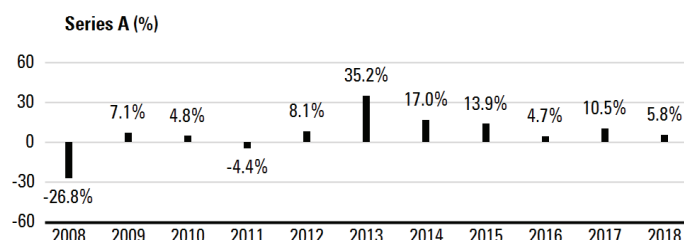


PAST PERFORMANCE

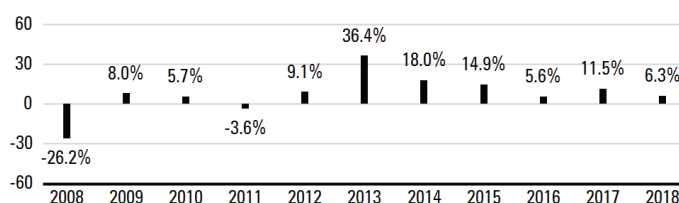
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

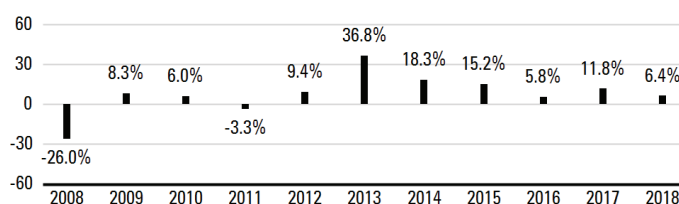
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series D (%)



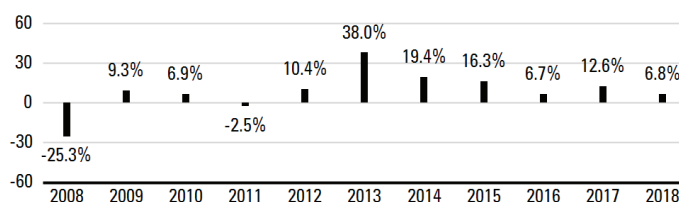
Series F (%)



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.



U.S. EQUITY FUND

RBC U.S. EQUITY CURRENCY NEUTRAL 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 appreciation primarily through investing in equities of U.S. companies while minimizing the exposure to fluctuations between the U.S. and Canadian dollars. The Fund seeks to provide broad exposure to superior investment opportunities in the U.S. equity 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. The Fund uses currency hedges to minimize the impact of fluctuations in the U.S. dollar versus the Canadian dollar.

Results of Operations

The Fund's net asset value was \$41 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.5%. 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.

It is the policy of the Fund to maintain currency hedges in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. Given this approach, unitholders did not benefit from the U.S. dollar's rise against the Canadian dollar during the period.

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 \$2,000 (2017 – \$2,000) or 10% (2017 – 11%) 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	14.61	0.12	(0.14)	0.23	(0.12)	0.09	—	—	—	—	—	14.69	
Dec. 31, 2017	12.42	0.23	(0.26)	1.58	0.64	2.19	—	—	—	—	—	14.61	
Dec. 31, 2016	11.60	0.20	(0.23)	0.51	0.26	0.74	—	—	—	—	—	12.42	
Dec. 31, 2015	12.04	0.24	(0.25)	(0.52)	0.08	(0.45)	—	—	—	—	—	11.60	
Dec. 31, 2014	11.19	0.18	(0.24)	1.48	(0.58)	0.84	—	—	—	—	—	12.04	
Dec. 31, 2013	8.73	0.15	(0.21)	1.54	0.98	2.46	—	—	—	—	—	11.19	
Advisor Series													
June 30, 2018	15.40	0.12	(0.15)	0.24	(0.13)	0.08	—	—	—	—	—	15.49	
Dec. 31, 2017	13.09	0.24	(0.27)	1.66	0.65	2.28	—	—	—	—	—	15.40	
Dec. 31, 2016	12.23	0.21	(0.24)	0.54	0.32	0.83	—	—	—	—	—	13.09	
Dec. 31, 2015	12.69	0.25	(0.26)	(0.55)	0.09	(0.47)	—	—	—	—	—	12.23	
Dec. 31, 2014	11.79	0.19	(0.25)	1.55	(0.61)	0.88	—	—	—	—	—	12.69	
Dec. 31, 2013	9.19	0.16	(0.22)	1.62	1.03	2.59	—	—	—	—	—	11.79	
Series D													
June 30, 2018	15.91	0.13	(0.08)	0.25	(0.30)	—	—	—	—	—	—	16.06	
Dec. 31, 2017	13.41	0.25	(0.15)	1.72	0.70	2.52	(0.01)	(0.01)	—	—	(0.02)	15.91	
Dec. 31, 2016	12.42	0.22	(0.14)	0.55	0.45	1.08	—	—	—	—	—	13.41	
Dec. 31, 2015	12.78	0.25	(0.15)	(0.56)	0.09	(0.37)	—	—	—	—	—	12.42	
Dec. 31, 2014	11.76	0.19	(0.15)	1.57	(0.62)	0.99	—	—	—	—	—	12.78	
Dec. 31, 2013	9.09	0.16	(0.13)	1.61	1.03	2.67	—	—	—	—	—	11.76	
Series F													
June 30, 2018	16.63	0.13	(0.06)	0.26	(0.17)	0.16	—	—	—	—	—	16.81	
Dec. 31, 2017	13.98	0.26	(0.12)	1.79	0.78	2.71	(0.01)	(0.01)	—	—	(0.02)	16.63	
Dec. 31, 2016	12.91	0.23	(0.11)	0.57	0.26	0.95	—	—	—	—	—	13.98	
Dec. 31, 2015	13.25	0.26	(0.13)	(0.58)	0.09	(0.36)	—	—	—	—	—	12.91	
Dec. 31, 2014	12.17	0.19	(0.12)	1.62	(0.64)	1.05	—	—	—	—	—	13.25	
Dec. 31, 2013	9.38	0.16	(0.10)	1.66	1.06	2.78	—	—	—	—	—	12.17	
Series O													
June 30, 2018	17.76	0.14	—	0.28	(0.09)	0.33	—	—	—	—	—	18.02	
Dec. 31, 2017	14.82	0.29	—	1.98	1.87	4.14	(0.02)	(0.01)	—	—	(0.03)	17.76	
Dec. 31, 2016	13.58	0.24	—	0.61	0.40	1.25	—	—	—	—	—	14.82	
Dec. 31, 2015	13.80	0.27	—	(0.61)	0.10	(0.24)	—	—	—	—	—	13.58	
Dec. 31, 2014	12.55	0.20	—	1.68	(0.66)	1.22	—	—	—	—	—	13.80	
Dec. 31, 2013	9.59	0.17	—	1.71	1.09	2.97	—	—	—	—	—	12.55	

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.



FINANCIAL HIGHLIGHTS (cont.)

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	14.69	29 202	1 988	1.94	1.94	108.78	0.10
Dec. 31, 2017	14.61	30 655	2 098	1.94	1.95	94.00	0.09
Dec. 31, 2016	12.42	29 725	2 394	2.01 ⁴	2.02	105.84	0.11
Dec. 31, 2015	11.60	32 605	2 811	2.11	2.12	192.68	0.18
Dec. 31, 2014	12.04	34 495	2 865	2.11	2.12	284.36	0.27
Dec. 31, 2013	11.19	36 604	3 272	2.13	2.13	230.83	0.32
Advisor Series							
June 30, 2018	15.49	3 560	230	1.90	1.90	108.78	0.10
Dec. 31, 2017	15.40	3 627	235	1.94	1.95	94.00	0.09
Dec. 31, 2016	13.09	4 263	326	2.01 ⁴	2.02	105.84	0.11
Dec. 31, 2015	12.23	4 785	391	2.10	2.10	192.68	0.18
Dec. 31, 2014	12.69	4 228	333	2.10	2.11	284.36	0.27
Dec. 31, 2013	11.79	5 391	457	2.10	2.10	230.83	0.32
Series D							
June 30, 2018	16.06	2 718	169	1.05	1.05	108.78	0.10
Dec. 31, 2017	15.91	2 285	144	1.06	1.07	94.00	0.09
Dec. 31, 2016	13.41	1 548	115	1.13 ⁴	1.13	105.84	0.11
Dec. 31, 2015	12.42	1 335	107	1.21	1.22	192.68	0.18
Dec. 31, 2014	12.78	1 210	95	1.20	1.21	284.36	0.27
Dec. 31, 2013	11.76	1 167	99	1.22	1.22	230.83	0.32
Series F							
June 30, 2018	16.81	5 257	313	0.78	0.78	108.78	0.10
Dec. 31, 2017	16.63	4 143	249	0.78	0.79	94.00	0.09
Dec. 31, 2016	13.98	3 030	217	0.84 ⁴	0.84	105.84	0.11
Dec. 31, 2015	12.91	3 102	240	0.95	0.95	192.68	0.18
Dec. 31, 2014	13.25	1 377	104	0.94	0.95	284.36	0.27
Dec. 31, 2013	12.17	1 252	103	0.97	0.97	230.83	0.32
Series O							
June 30, 2018	18.02	72	4	0.03	0.03	108.78	0.10
Dec. 31, 2017	17.76	177	10	0.04	0.05	94.00	0.09
Dec. 31, 2016	14.82	2	—	0.03	0.03	105.84	0.11
Dec. 31, 2015	13.58	2	—	0.03	0.04	192.68	0.18
Dec. 31, 2014	13.80	2	—	0.03	0.04	284.36	0.27
Dec. 31, 2013	12.55	2	—	0.04	0.04	230.83	0.32

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 – 1.93%, Advisor Series – 1.92%, Series D – 1.05% and Series F – 0.76%.



FINANCIAL HIGHLIGHTS (cont.)

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 D	0.85%	25%	75%
Series F	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.

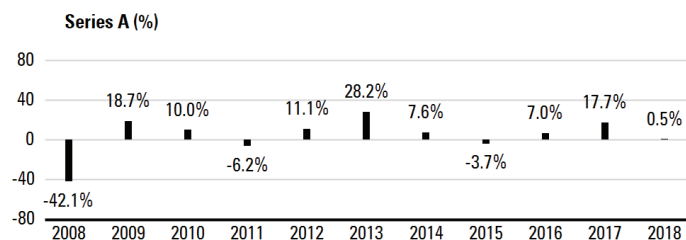
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

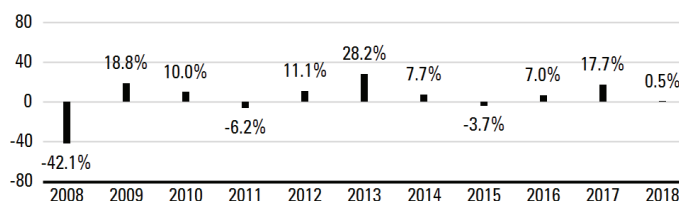
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

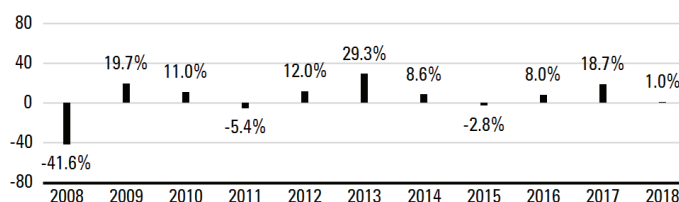
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



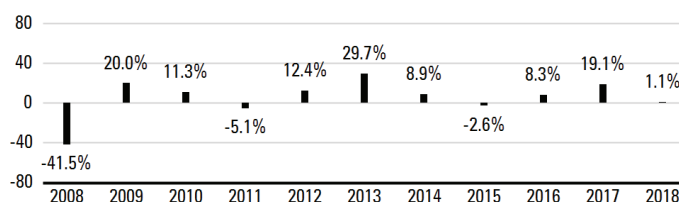
Advisor Series (%)



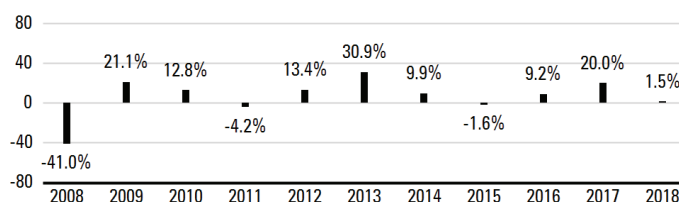
Series D (%)



Series F (%)



Series O (%)



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	23.8
Health Care	14.2
Underlying Funds	12.2
Consumer Discretionary	11.3
Financials	11.0
Industrials	7.2
Consumer Staples	6.8
Energy	6.8
Utilities	3.1
Materials	3.0
Telecommunication Services	1.1
Real Estate	0.6
Cash/Other	(1.1)

Top 25 Holdings

	% of Net Asset Value
Apple Inc.	4.7
RBC U.S. Mid-Cap Growth Equity Fund	4.4
RBC U.S. Mid-Cap Value Equity Fund	4.0
Amazon.com, Inc.	3.8
Microsoft Corp.	3.8
Alphabet Inc., Class A	2.5
UnitedHealth Group Incorporated	2.3
Bank of America Corp.	2.2
Chevron Corp.	2.1
Facebook Inc., Class A	1.9
Johnson & Johnson	1.6
Berkshire Hathaway Inc., Class B	1.6
JPMorgan Chase & Co.	1.6
Intel Corp.	1.5
Cisco Systems Inc.	1.5
Visa Inc., Class A	1.5
Home Depot Inc.	1.4
Boeing Co.	1.3
DowDuPont Inc.	1.3
Mastercard Inc.	1.3
Altria Group Inc.	1.2
LyondellBasell Industries N.V.	1.2
RBC U.S. Small-Cap Core Equity Fund	1.1
CVS Health Corp.	1.1
Adobe Systems Inc.	1.1
Top 25 Holdings	52.0

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.



U.S. EQUITY FUND

RBC QUBE 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 using a quantitative investment approach.

The Fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk.

This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager will diversify across industries within the U.S. equity market.

Results of Operations

The Fund's net asset value was \$3.9 billion as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 7.1%. The Fund's return is after the deduction of 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 struggled so far in 2018 to make the kind of headway that came so easily last year.

In the Consumer Staples sector, a position in Colgate-Palmolive held back the Fund's returns. The Consumer Discretionary sector also weighed on performance, with an underweight position in Amazon having a negative impact during the period.

In the Energy sector, the Fund's position in Valero Energy added significantly to returns. Positive contributions also came from Mastercard and Intuit in the Information Technology sector.

Portfolio turnover was high for the Fund given the portfolio manager's model-driven investment process.

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 even higher. 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 rest 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 \$0 (2017 – \$4,000) or 0% (2017 – 1%) 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	Total	
Series O												
June 30, 2018	15.42	0.14	—	0.57	0.40	1.11	—	—	—	—	—	16.51
Dec. 31, 2017	15.49	0.31	—	2.24	(0.21)	2.34	—	(0.29)	(2.16)	—	(2.45)	15.42
Dec. 31, 2016	15.40	0.29	—	0.73	0.20	1.22	—	(0.27)	(0.70)	—	(0.97)	15.49
Dec. 31, 2015	13.93	0.42	—	1.19	1.15	2.76	—	(0.34)	(0.99)	—	(1.33)	15.40
Dec. 31, 2014	11.28	0.26	—	0.41	2.98	3.65	—	(0.15)	(0.26)	—	(0.41)	13.93
Dec. 31, 2013 ³	10.00 [†]	0.11	—	0.38	1.31	1.80	—	(0.11)	(0.41)	—	(0.52)	11.28

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 June 28, 2013.

[†] 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 O							
June 30, 2018	16.51	3 866 343	234 121	0.02	0.02	132.97	0.02
Dec. 31, 2017	15.42	3 633 176	235 557	0.02	0.02	138.32	0.04
Dec. 31, 2016	15.49	3 161 002	204 066	0.02	0.02	77.64	0.03
Dec. 31, 2015	15.40	2 653 978	172 353	0.02	0.02	81.56	0.03
Dec. 31, 2014	13.93	1 330 890	95 546	0.02	0.02	61.49	0.04
Dec. 31, 2013 ⁴	11.28	4 719	418	0.02	0.05	78.89	0.09

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 From June 28, 2013.



FINANCIAL HIGHLIGHTS (cont.)

Management Fees

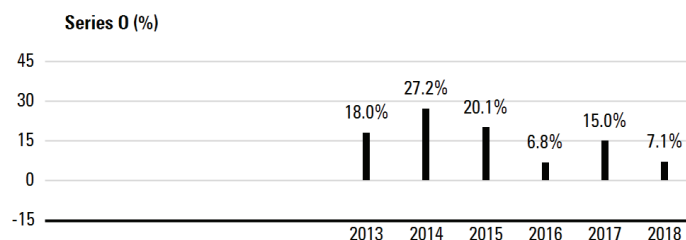
RBC GAM is the manager, trustee and portfolio manager of the Fund. No management fees are paid by the Fund with respect to Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

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 O units have been available for sale to unitholders since June 28, 2013.

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	29.1
Consumer Discretionary	12.0
Health Care	11.2
Financials	11.0
Industrials	9.8
Consumer Staples	9.5
Materials	5.2
Telecommunication Services	5.2
Energy	4.1
Real Estate	2.0
Utilities	0.9

Top 25 Holdings

	% of Net Asset Value
Microsoft Corp.	4.4
Alphabet Inc., Class C	3.5
Home Depot Inc.	3.3
Citigroup Inc.	3.2
Facebook Inc., Class A	3.1
Verizon Communications Inc.	3.0
Colgate-Palmolive Company	2.8
Boeing Co.	2.5
Intuit Inc.	2.5
Mastercard Inc.	2.3
Philip Morris International Inc.	2.3
Accenture Plc., Class A	2.0
LyondellBasell Industries N.V.	2.0
Apple Inc.	1.9
Nvidia Corp.	1.9
Lockheed Martin Corporation	1.8
Valero Energy Corp.	1.7
Kimberly-Clark Corp.	1.7
S&P Global Inc.	1.6
Delta Air Lines Inc.	1.6
Las Vegas Sands Corp.	1.6
Simon Property Group Inc.	1.6
Target Corporation	1.5
Bristol-Myers Squibb Co.	1.4
State Street Corp.	1.4
Top 25 Holdings	56.6

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.



U.S. EQUITY FUND

RBC QUBE LOW VOLATILITY 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.

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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 using a quantitative approach. The Fund seeks to achieve a reduced level of volatility of returns compared with the broader U.S. equity market.

The Fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager will diversify across industries within the U.S. equity market.

Results of Operations

The Fund's net asset value was \$1.8 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 5.3%. 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.

In the Consumer Staples sector, positions in Walmart and Procter & Gamble held back the Fund's returns. The Utilities sector also weighed on performance, with a position in Consolidated Edison having a negative impact during the period.

In the Health Care sector, the Fund's position in United Health Group added significantly to returns. Positive contributions also came from Mastercard and Intuit in the Information Technology sector.

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 even higher. 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 rest 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 \$1,000 (2017 – \$1,000) or 1% (2017 – 0%) 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	Total		
Series A													
June 30, 2018	21.72	0.21	(0.20)	0.80	0.33	1.14	—	—	—	—	—	22.88	
Dec. 31, 2017	20.46	0.43	(0.40)	1.86	0.19	2.08	—	—	(0.91)	—	(0.91)	21.72	
Dec. 31, 2016	19.31	0.43	(0.38)	1.21	0.52	1.78	—	(0.03)	(0.48)	—	(0.51)	20.46	
Dec. 31, 2015	16.17	0.41	(0.36)	0.48	2.25	2.78	—	—	(0.07)	—	(0.07)	19.31	
Dec. 31, 2014	13.16	0.34	(0.30)	0.68	2.69	3.41	—	(0.02)	(0.16)	—	(0.18)	16.17	
Dec. 31, 2013	10.13	0.26	(0.25)	0.08	2.20	2.29	—	—	(0.06)	—	(0.06)	13.16	
Advisor Series													
June 30, 2018	21.48	0.20	(0.20)	0.79	0.32	1.11	—	—	—	—	—	22.63	
Dec. 31, 2017	20.24	0.42	(0.40)	1.84	0.19	2.05	—	—	(0.91)	—	(0.91)	21.48	
Dec. 31, 2016	19.10	0.43	(0.38)	1.20	0.55	1.80	—	(0.03)	(0.48)	—	(0.51)	20.24	
Dec. 31, 2015	16.00	0.42	(0.37)	0.49	2.32	2.86	—	—	(0.07)	—	(0.07)	19.10	
Dec. 31, 2014	13.15	0.35	(0.29)	0.70	2.74	3.50	—	(0.17)	(0.16)	—	(0.33)	16.00	
Dec. 31, 2013	10.13	0.28	(0.26)	0.09	2.35	2.46	—	—	(0.06)	—	(0.06)	13.15	
Series T5													
June 30, 2018	21.09	0.20	(0.19)	0.77	0.41	1.19	—	(0.51)	—	(0.02)	(0.53)	21.68	
Dec. 31, 2017	20.03	0.41	(0.38)	1.77	0.36	2.16	—	(0.03)	(0.93)	(0.04)	(1.00)	21.09	
Dec. 31, 2016 ³	19.05 [†]	0.38	(0.34)	1.07	1.15	2.26	—	(0.05)	(0.64)	(0.20)	(0.89)	20.03	
Series D													
June 30, 2018	21.95	0.21	(0.11)	0.81	0.33	1.24	—	—	—	—	—	23.22	
Dec. 31, 2017	20.75	0.43	(0.23)	1.90	0.23	2.33	—	(0.27)	(0.93)	—	(1.20)	21.95	
Dec. 31, 2016	19.58	0.44	(0.22)	1.24	0.40	1.86	—	(0.21)	(0.49)	—	(0.70)	20.75	
Dec. 31, 2015	16.32	0.44	(0.21)	0.51	2.40	3.14	—	(0.08)	(0.07)	—	(0.15)	19.58	
Dec. 31, 2014	13.24	0.34	(0.17)	0.69	2.72	3.58	—	(0.10)	(0.16)	—	(0.26)	16.32	
Dec. 31, 2013	10.14	0.24	(0.15)	0.08	1.98	2.15	—	(0.04)	(0.06)	—	(0.10)	13.24	
Series F													
June 30, 2018	21.86	0.21	(0.08)	0.81	0.38	1.32	—	—	—	—	—	23.15	
Dec. 31, 2017	20.67	0.43	(0.17)	1.88	0.24	2.38	—	(0.33)	(0.93)	—	(1.26)	21.86	
Dec. 31, 2016	19.50	0.43	(0.16)	1.21	0.69	2.17	—	(0.26)	(0.49)	—	(0.75)	20.67	
Dec. 31, 2015	16.25	0.42	(0.17)	0.49	2.32	3.06	—	(0.12)	(0.07)	—	(0.19)	19.50	
Dec. 31, 2014	13.20	0.35	(0.13)	0.70	2.77	3.69	—	(0.17)	(0.16)	—	(0.33)	16.25	
Dec. 31, 2013	10.14	0.34	(0.11)	0.11	2.85	3.19	—	(0.12)	(0.06)	—	(0.18)	13.20	
Series FT5													
June 30, 2018	21.05	0.20	(0.08)	0.77	0.35	1.24	—	(0.52)	—	—	(0.52)	21.75	
Dec. 31, 2017	20.18	0.40	(0.15)	1.73	1.88	3.86	(0.01)	(0.21)	(1.24)	—	(1.46)	21.05	
Dec. 31, 2016 ³	19.25 [†]	0.38	(0.14)	1.07	1.94	3.25	—	(0.13)	(1.06)	—	(1.19)	20.18	



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	Total	
		Series 0										
June 30, 2018	21.96	0.21	—	0.81	0.36	1.38	—	—	—	—	—	23.35
Dec. 31, 2017	20.90	0.44	—	1.92	0.40	2.76	—	(0.48)	(1.11)	—	(1.59)	21.96
Dec. 31, 2016	19.73	0.45	—	1.25	0.51	2.21	—	(0.44)	(0.50)	—	(0.94)	20.90
Dec. 31, 2015	16.44	0.40	—	0.47	2.21	3.08	—	(0.29)	(0.07)	—	(0.36)	19.73
Dec. 31, 2014	13.28	0.35	—	0.70	2.75	3.80	—	(0.23)	(0.16)	—	(0.39)	16.44
Dec. 31, 2013	10.12	0.26	—	0.08	2.18	2.52	—	(0.13)	(0.06)	—	(0.19)	13.28

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 January 25, 2016.

[†] 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	22.88	450 060	19 669	1.87	1.87	63.06	0.02
Dec. 31, 2017	21.72	430 856	19 836	1.87	1.87	81.72	0.02
Dec. 31, 2016	20.46	307 445	15 025	1.95 ⁴	1.95	59.78	0.02
Dec. 31, 2015	19.31	206 910	10 715	2.04	2.04	40.47	0.02
Dec. 31, 2014	16.17	67 364	4 167	2.05	2.05	34.18	0.02
Dec. 31, 2013	13.16	21 777	1 655	2.05	2.05	31.83	0.03
Advisor Series							
June 30, 2018	22.63	33 824	1 495	1.86	1.86	63.06	0.02
Dec. 31, 2017	21.48	34 836	1 622	1.86	1.86	81.72	0.02
Dec. 31, 2016	20.24	28 479	1 407	1.94 ⁴	1.94	59.78	0.02
Dec. 31, 2015	19.10	18 622	975	2.09	2.09	40.47	0.02
Dec. 31, 2014	16.00	8 064	504	2.05	2.05	34.18	0.02
Dec. 31, 2013	13.15	5 142	391	2.11	2.11	31.83	0.03
Series T5							
June 30, 2018	21.68	2 523	116	1.83	1.83	63.06	0.02
Dec. 31, 2017	21.09	2 112	100	1.84	1.84	81.72	0.02
Dec. 31, 2016 ⁵	20.03	804	40	1.86 ⁴	1.86	59.78	0.02
Series D							
June 30, 2018	23.22	81 417	3 506	1.03	1.03	63.06	0.02
Dec. 31, 2017	21.95	82 851	3 775	1.03	1.03	81.72	0.02
Dec. 31, 2016	20.75	66 100	3 185	1.10 ⁴	1.10	59.78	0.02
Dec. 31, 2015	19.58	47 633	2 433	1.18	1.18	40.47	0.02
Dec. 31, 2014	16.32	25 162	1 542	1.18	1.18	34.18	0.02
Dec. 31, 2013	13.24	8 978	678	1.20	1.20	31.83	0.03



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 F							
June 30, 2018	23.15	177 347	7 660	0.76	0.76	63.06	0.02
Dec. 31, 2017	21.86	158 760	7 263	0.76	0.76	81.72	0.02
Dec. 31, 2016	20.67	89 413	4 326	0.82 ⁴	0.82	59.78	0.02
Dec. 31, 2015	19.50	29 794	1 528	0.92	0.92	40.47	0.02
Dec. 31, 2014	16.25	11 841	729	0.91	0.91	34.18	0.02
Dec. 31, 2013	13.20	7 866	596	0.91	0.91	31.83	0.03
Series FT5							
June 30, 2018	21.75	4 775	220	0.74	0.74	63.06	0.02
Dec. 31, 2017	21.05	4 321	205	0.74	0.74	81.72	0.02
Dec. 31, 2016 ⁵	20.18	182	9	0.77 ⁴	0.77	59.78	0.02
Series O							
June 30, 2018	23.35	1 013 109	43 390	0.02	0.02	63.06	0.02
Dec. 31, 2017	21.96	965 146	43 944	0.02	0.02	81.72	0.02
Dec. 31, 2016	20.90	934 290	44 702	0.02	0.02	59.78	0.02
Dec. 31, 2015	19.73	731 735	37 084	0.02	0.02	40.47	0.02
Dec. 31, 2014	16.44	135 491	8 243	0.02	0.02	34.18	0.02
Dec. 31, 2013	13.28	66 443	5 003	0.03	0.03	31.83	0.03

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 T5, Series D, Series F and Series FT5 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 – 1.87%, Advisor Series – 1.87%, Series T5 – 1.92%, Series D – 1.03%, Series F – 0.77% and Series FT5 – 0.79%.

⁵ From January 25, 2016.

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%	57%	43%
Advisor Series	1.60%	57%	43%
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.

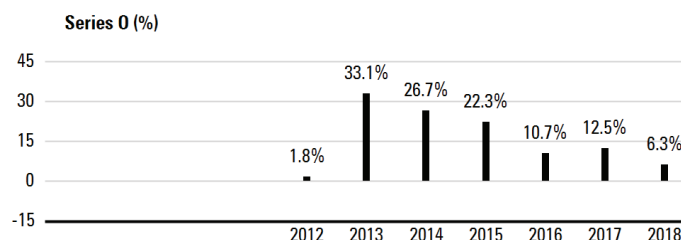
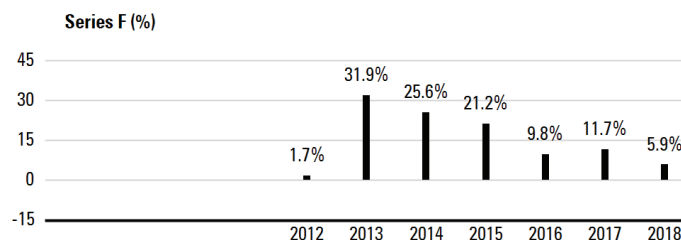
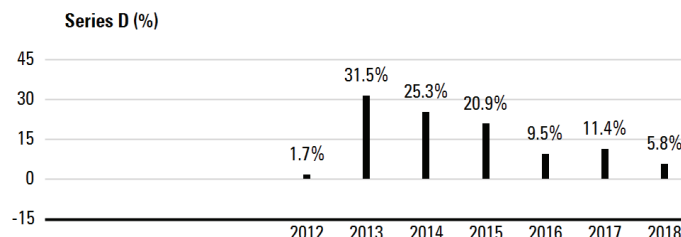
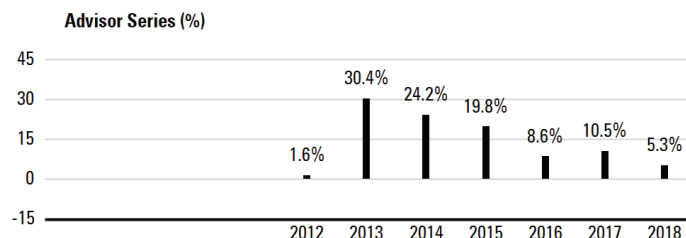
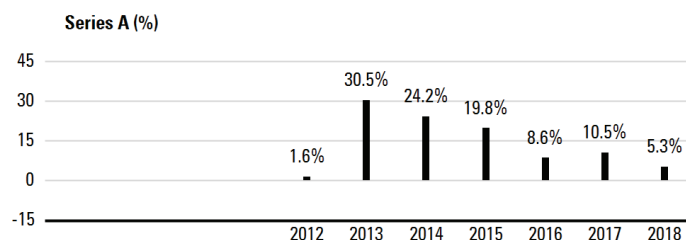


PAST PERFORMANCE

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 T5 and Series FT5 units have been available for sale to unitholders since January 25, 2016, and Series A, Advisor Series, Series D, Series F and Series O units since November 19, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series H units were re-designated as Series A units and all outstanding Series I units were re-designated as Series F units effective June 30, 2016.

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	19.7
Health Care	19.6
Utilities	17.0
Consumer Staples	15.3
Consumer Discretionary	8.6
Financials	7.8
Industrials	7.4
Materials	1.9
Real Estate	1.4
Energy	0.6
Telecommunication Services	0.6
Cash/Other	0.1

Top 25 Holdings

	% of Net Asset Value
Consolidated Edison Inc.	3.0
TJX Companies Inc.	3.0
Johnson & Johnson	3.0
Mastercard Inc.	2.9
Intuit Inc.	2.9
UnitedHealth Group Incorporated	2.9
PepsiCo Inc.	2.9
Xcel Energy Inc.	2.9
Danaher Corp.	2.9
The Coca-Cola Co.	2.8
Amdocs Ltd.	2.8
American Electric Power	2.7
Alphabet Inc., Class C	2.6
The Procter & Gamble Co.	2.5
Colgate-Palmolive Company	2.3
Loews Corp.	2.2
DTE Energy Company	2.2
Accenture Plc., Class A	2.1
Republic Services Inc.	2.1
Pfizer Inc.	2.0
U.S. Bancorp	1.7
Citigroup Inc.	1.7
Walmart Inc.	1.7
Home Depot Inc.	1.6
WEC Energy Group Inc.	1.5
Top 25 Holdings	60.9

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.



U.S. EQUITY FUND

**RBC QUBE LOW VOLATILITY U.S. EQUITY
CURRENCY NEUTRAL 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 appreciation by investing primarily in equity securities of U.S. companies using a quantitative approach while minimizing the exposure to currency fluctuations between the U.S. and Canadian dollars. The Fund may also invest in mutual funds managed by RBC GAM or an affiliate. The Fund seeks to achieve a reduced level of volatility of returns compared with the broader U.S. equity market.

The Fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager diversifies across industries within the U.S. equity market. The Fund uses currency hedges to minimize the impact of fluctuations in the U.S. dollar versus the Canadian dollar.

Results of Operations

The Fund's net asset value was \$33 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.2%. 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.

In the Consumer Staples sector, positions in Walmart and Procter & Gamble held back the Fund's returns. The Utilities sector also weighed on performance, with a position in Consolidated Edison having a negative impact during the period.

In the Health Care sector, the Fund's position in UnitedHealth Group added significantly to returns. Positive contributions also came from Mastercard and Intuit in the Information Technology sector.

It is the policy of the Fund to maintain currency hedges in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. Given this approach, unitholders did not benefit from the U.S. dollar's rise against the Canadian dollar during the period.

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 even higher. 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 rest 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.

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	Total		
Series A													
June 30, 2018	11.80	0.11	(0.11)	(0.01)	0.01	—	—	—	—	—	—	11.83	
Dec. 31, 2017	10.49	0.21	(0.22)	0.78	1.10	1.87	—	—	(0.52)	—	(0.52)	11.80	
Dec. 31, 2016 ³	10.00 [†]	0.15	(0.12)	(0.25)	0.74	0.52	—	—	—	—	—	10.49	
Advisor Series													
June 30, 2018	11.80	0.11	(0.11)	(0.01)	(0.04)	(0.05)	—	—	—	—	—	11.82	
Dec. 31, 2017	10.49	0.24	(0.22)	0.86	1.00	1.88	—	—	(0.52)	—	(0.52)	11.80	
Dec. 31, 2016 ³	10.00 [†]	0.13	(0.12)	(0.23)	0.51	0.29	—	—	—	—	—	10.49	
Series T5													
June 30, 2018	11.17	0.11	(0.11)	(0.01)	0.02	0.01	—	(0.28)	—	—	(0.28)	10.90	
Dec. 31, 2017	10.16	0.21	(0.20)	0.78	0.63	1.42	—	(0.02)	(0.73)	—	(0.75)	11.17	
Dec. 31, 2016 ³	10.00 [†]	0.11	(0.11)	(0.18)	2.25	2.07	—	—	—	(0.33)	(0.33)	10.16	
Series D													
June 30, 2018	11.89	0.11	(0.06)	(0.01)	—	0.04	—	—	—	—	—	11.96	
Dec. 31, 2017	10.53	0.22	(0.12)	0.80	1.09	1.99	—	(0.07)	(0.52)	—	(0.59)	11.89	
Dec. 31, 2016 ³	10.00 [†]	0.13	(0.07)	(0.23)	0.88	0.71	—	(0.01)	—	—	(0.01)	10.53	
Series F													
June 30, 2018	11.86	0.11	(0.04)	(0.01)	0.02	0.08	—	—	—	—	—	11.95	
Dec. 31, 2017	10.52	0.23	(0.09)	0.83	1.04	2.01	—	(0.10)	(0.55)	—	(0.65)	11.86	
Dec. 31, 2016 ³	10.00 [†]	0.13	(0.05)	(0.22)	0.49	0.35	—	(0.04)	—	—	(0.04)	10.52	
Series FT5													
June 30, 2018	11.49	0.11	(0.04)	(0.01)	0.02	0.08	—	(0.29)	—	—	(0.29)	11.29	
Dec. 31, 2017	10.22	0.23	(0.08)	0.85	0.89	1.89	—	(0.13)	(0.49)	—	(0.62)	11.49	
Dec. 31, 2016 ³	10.00 [†]	0.12	(0.05)	(0.21)	0.52	0.38	—	(0.06)	—	(0.27)	(0.33)	10.22	
Series O													
June 30, 2018	11.85	0.11	—	(0.01)	0.06	0.16	—	—	—	—	—	11.98	
Dec. 31, 2017	10.50	0.24	—	0.88	0.96	2.08	—	(0.19)	(0.53)	—	(0.72)	11.85	
Dec. 31, 2016 ³	10.00 [†]	0.16	—	(0.27)	0.78	0.67	—	(0.11)	—	—	(0.11)	10.50	

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 May 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	11.83	10 087	853	1.86	1.86	74.63	0.02
Dec. 31, 2017	11.80	7 668	650	1.89	1.90	74.08	0.03
Dec. 31, 2016 ⁴	10.49	550	52	1.89	1.91	37.57	0.02
Advisor Series							
June 30, 2018	11.82	628	53	1.91	1.91	74.63	0.02
Dec. 31, 2017	11.80	600	51	1.91	1.92	74.08	0.03
Dec. 31, 2016 ⁴	10.49	411	39	1.90	1.92	37.57	0.02
Series T5							
June 30, 2018	10.90	133	12	1.94	1.94	74.63	0.02
Dec. 31, 2017	11.17	137	12	1.79	1.80	74.08	0.03
Dec. 31, 2016 ⁴	10.16	117	12	1.79	1.80	37.57	0.02
Series D							
June 30, 2018	11.96	2 895	242	1.05	1.05	74.63	0.02
Dec. 31, 2017	11.89	2 661	224	1.05	1.06	74.08	0.03
Dec. 31, 2016 ⁴	10.53	500	47	1.06	1.08	37.57	0.02
Series F							
June 30, 2018	11.95	10 156	850	0.76	0.76	74.63	0.02
Dec. 31, 2017	11.86	7 910	667	0.75	0.76	74.08	0.03
Dec. 31, 2016 ⁴	10.52	2 440	232	0.76	0.77	37.57	0.02
Series FT5							
June 30, 2018	11.29	54	5	0.74	0.74	74.63	0.02
Dec. 31, 2017	11.49	55	5	0.74	0.75	74.08	0.03
Dec. 31, 2016 ⁴	10.22	48	5	0.74	0.75	37.57	0.02
Series O							
June 30, 2018	11.98	9 329	779	0.02	0.02	74.63	0.02
Dec. 31, 2017	11.85	7 539	636	0.02	0.03	74.08	0.03
Dec. 31, 2016 ⁴	10.50	5 750	548	0.02	0.04	37.57	0.02

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 From May 4, 2016.



FINANCIAL HIGHLIGHTS (cont.)

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%	63%	37%
Advisor Series	1.60%	63%	37%
Series T5	1.60%	63%	37%
Series D	0.85%	29%	71%
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 A (%)



Advisor Series (%)



Series T5 (%)



Series D (%)

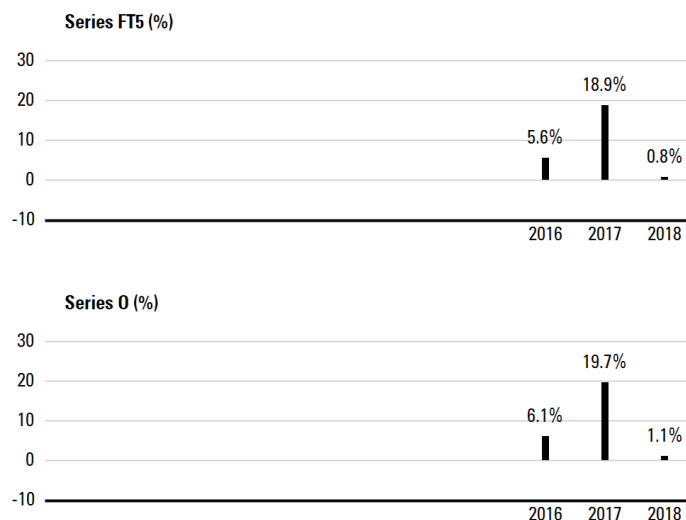


Series F (%)





PAST PERFORMANCE (cont.)



Series A, Advisor Series, Series T5, Series D, Series F, Series FT5 and Series O units have been available for sale to unitholders since May 16, 2016.

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
Health Care	19.8
Information Technology	19.8
Utilities	17.2
Consumer Staples	15.5
Consumer Discretionary	8.7
Financials	7.9
Industrials	7.4
Materials	1.9
Real Estate	1.4
Energy	0.6
Telecommunication Services	0.6
Cash/Other	(0.8)

Top 25 Holdings

	% of Net Asset Value
Consolidated Edison Inc.	3.0
TJX Companies Inc.	3.0
Johnson & Johnson	3.0
Mastercard Inc.	3.0
Intuit Inc.	2.9
UnitedHealth Group Incorporated	2.9
PepsiCo Inc.	2.9
Xcel Energy Inc.	2.9
Danaher Corp.	2.9
The Coca-Cola Co.	2.8
Amdocs Ltd.	2.8
American Electric Power	2.8
Alphabet Inc., Class C	2.6
The Procter & Gamble Co.	2.5
Colgate-Palmolive Company	2.3
Loews Corp.	2.3
DTE Energy Company	2.3
Accenture Plc., Class A	2.1
Republic Services Inc.	2.1
Pfizer Inc.	2.0
U.S. Bancorp	1.8
Citigroup Inc.	1.7
Walmart Inc.	1.7
Home Depot Inc.	1.6
WEC Energy Group Inc.	1.5
Top 25 Holdings	61.4

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.



U.S. EQUITY FUND

RBC U.S. EQUITY VALUE 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 that are attractively valued relative to their peers, their own history and the broader stock market while offering long-term opportunities for growth.

To achieve the Fund's objectives, the portfolio manager applies a bottom-up stock-selection process to identify quality companies that are undervalued based on criteria such as assets, earnings and cash flow. The portfolio manager reviews economic, industry and company-specific information to assess a company's prospects and monitors companies to ensure that the best relative values are identified.

Results of Operations

The Fund's net asset value was \$51 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 3.9%. 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 U.S. tax cuts yielded to concerns over weaker economic growth and rising protectionism. Robust earnings growth was a positive for stocks. However, sustained economic growth and robust earnings were accompanied by higher interest rates and faster inflation, which weighed on valuations. Against this backdrop, equities have struggled to make the kind of headway that came so easily last year.

The Fund underperformed during the period due to security selection. Not holding Amazon and Netflix held back returns substantially. The stocks' high valuations are unsuitable for a value mandate. Stanley Black & Decker also held back returns after earnings were hurt by higher prices for raw materials caused by tariffs. Positively for the Fund, ConocoPhillips had a strong first half of 2018 as oil prices rose.

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 even higher. 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 rest 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.

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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.

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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 \$1,000 (2017 – \$0) or 14% (2017 – 0%) 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.



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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	Total	
Series A												
June 30, 2018	14.66	0.16	(0.14)	0.33	0.21	0.56	—	—	—	—	—	15.23
Dec. 31, 2017	13.04	0.23	(0.26)	0.41	1.22	1.60	—	—	—	—	—	14.66
Dec. 31, 2016	12.39	0.23	(0.24)	0.65	(0.06)	0.58	—	—	—	—	—	13.04
Dec. 31, 2015	11.25	0.26	(0.25)	1.21	0.51	1.73	—	(0.01)	(0.64)	—	(0.65)	12.39
Dec. 31, 2014 ³	10.00 [†]	0.14	(0.18)	0.07	1.46	1.49	—	—	(0.03)	—	(0.03)	11.25
Advisor Series												
June 30, 2018	14.67	0.16	(0.14)	0.33	0.22	0.57	—	—	—	—	—	15.25
Dec. 31, 2017	13.05	0.23	(0.26)	0.42	1.19	1.58	—	—	—	—	—	14.67
Dec. 31, 2016	12.40	0.23	(0.24)	0.64	(0.23)	0.40	—	—	—	—	—	13.05
Dec. 31, 2015	11.25	0.26	(0.25)	1.21	0.51	1.73	—	(0.01)	(0.64)	—	(0.65)	12.40
Dec. 31, 2014 ³	10.00 [†]	0.15	(0.17)	0.08	1.54	1.60	—	—	(0.03)	—	(0.03)	11.25
Series D												
June 30, 2018	14.79	0.16	(0.08)	0.33	0.17	0.58	—	—	—	—	—	15.43
Dec. 31, 2017	13.10	0.23	(0.14)	0.42	1.19	1.70	—	(0.07)	—	—	(0.07)	14.79
Dec. 31, 2016	12.45	0.23	(0.14)	0.65	(0.15)	0.59	—	(0.11)	—	—	(0.11)	13.10
Dec. 31, 2015	11.31	0.26	(0.15)	1.21	0.51	1.83	—	(0.11)	(0.65)	—	(0.76)	12.45
Dec. 31, 2014 ³	10.00 [†]	0.15	(0.11)	0.08	1.55	1.67	—	(0.02)	(0.02)	—	(0.04)	11.31
Series F												
June 30, 2018	14.83	0.16	(0.06)	0.33	0.24	0.67	—	—	—	—	—	15.50
Dec. 31, 2017	13.13	0.24	(0.11)	0.42	1.23	1.78	—	(0.09)	—	—	(0.09)	14.83
Dec. 31, 2016	12.48	0.24	(0.11)	0.67	0.27	1.07	—	(0.15)	—	—	(0.15)	13.13
Dec. 31, 2015	11.33	0.26	(0.12)	1.22	0.51	1.87	—	(0.14)	(0.65)	—	(0.79)	12.48
Dec. 31, 2014 ³	10.00 [†]	0.14	(0.08)	0.07	1.42	1.55	—	(0.02)	(0.03)	—	(0.05)	11.33
Series O												
June 30, 2018	14.84	0.16	—	0.34	0.20	0.70	—	—	—	—	—	15.56
Dec. 31, 2017	13.11	0.23	—	0.41	1.00	1.64	(0.01)	(0.17)	—	—	(0.18)	14.84
Dec. 31, 2016	12.46	0.22	—	0.60	(1.04)	(0.22)	—	(0.26)	—	—	(0.26)	13.11
Dec. 31, 2015	11.34	0.27	—	1.23	0.52	2.02	—	(0.27)	(0.67)	—	(0.94)	12.46
Dec. 31, 2014 ³	10.00 [†]	0.17	—	0.09	1.83	2.09	—	(0.10)	(0.03)	—	(0.13)	11.34

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 March 10, 2014.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	15.23	20 694	1 359	1.87	1.87	50.05	0.03
Dec. 31, 2017	14.66	19 290	1 316	1.89	1.90	47.33	0.03
Dec. 31, 2016	13.04	14 219	1 091	1.96 ⁴	1.97	120.60	0.07
Dec. 31, 2015	12.39	14 303	1 154	2.03	2.04	127.76	0.12
Dec. 31, 2014 ⁵	11.25	9 917	881	2.06	2.07	106.63	0.14
Advisor Series							
June 30, 2018	15.25	3 344	219	1.88	1.88	50.05	0.03
Dec. 31, 2017	14.67	3 572	243	1.87	1.88	47.33	0.03
Dec. 31, 2016	13.05	3 864	296	1.95 ⁴	1.96	120.60	0.07
Dec. 31, 2015	12.40	5 446	439	2.01	2.02	127.76	0.12
Dec. 31, 2014 ⁵	11.25	3 678	327	2.04	2.05	106.63	0.14
Series D							
June 30, 2018	15.43	5 191	336	1.03	1.03	50.05	0.03
Dec. 31, 2017	14.79	4 169	282	1.03	1.04	47.33	0.03
Dec. 31, 2016	13.10	2 928	224	1.13 ⁴	1.14	120.60	0.07
Dec. 31, 2015	12.45	3 046	245	1.22	1.23	127.76	0.12
Dec. 31, 2014 ⁵	11.31	1 585	140	1.24	1.25	106.63	0.14
Series F							
June 30, 2018	15.50	16 416	1 059	0.78	0.78	50.05	0.03
Dec. 31, 2017	14.83	15 762	1 063	0.79	0.80	47.33	0.03
Dec. 31, 2016	13.13	12 448	948	0.86 ⁴	0.86	120.60	0.07
Dec. 31, 2015	12.48	6 476	519	0.94	0.95	127.76	0.12
Dec. 31, 2014 ⁵	11.33	2 585	228	0.95	0.96	106.63	0.14
Series O							
June 30, 2018	15.56	5 556	357	0.02	0.02	50.05	0.03
Dec. 31, 2017	14.84	4 660	314	0.03	0.04	47.33	0.03
Dec. 31, 2016	13.11	886	68	0.02	0.03	120.60	0.07
Dec. 31, 2015	12.46	4 728	379	0.02	0.03	127.76	0.12
Dec. 31, 2014 ⁵	11.34	6 858	605	0.02	0.03	106.63	0.14

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 – 1.88%, Advisor Series – 1.86%, Series D – 1.04% and Series F – 0.79%.

⁵ From March 10, 2014.



FINANCIAL HIGHLIGHTS (cont.)

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%	57%	43%
Advisor Series	1.60%	57%	43%
Series D	0.85%	25%	75%
Series F	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.

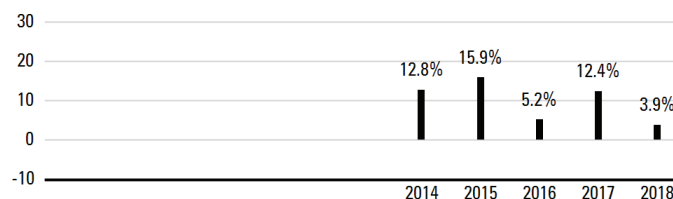
PAST PERFORMANCE

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.

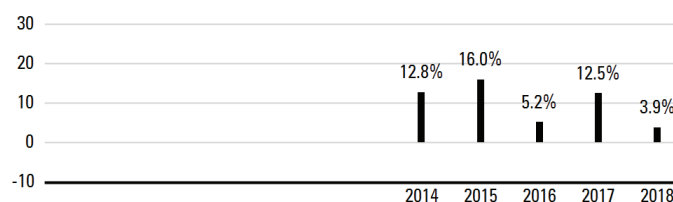
Year-by-Year Returns (%)

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.

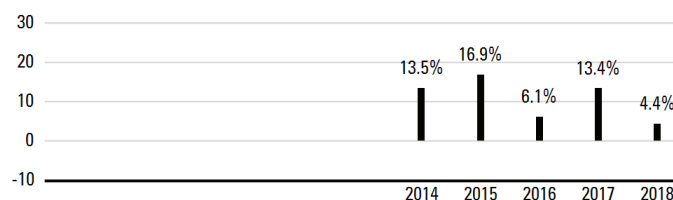
Series A (%)



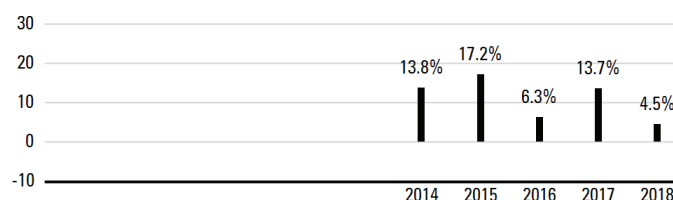
Advisor Series (%)



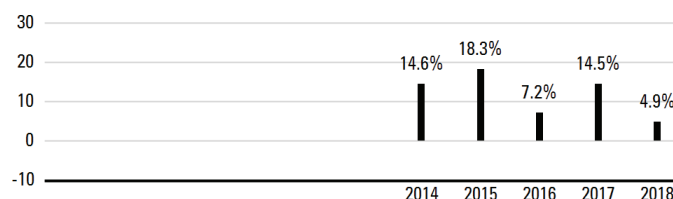
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since March 10, 2014.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series H units were re-designated as Series A units and all outstanding Series I units were re-designated as Series F units effective June 30, 2016.

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	24.6
Financials	14.2
Health Care	11.0
Consumer Discretionary	10.1
Industrials	7.9
Energy	7.1
Consumer Staples	6.9
Underlying Funds	6.4
Real Estate	2.7
Utilities	2.1
Materials	2.0
Telecommunication Services	0.8
Cash/Other	4.2

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	4.3
Apple Inc.	4.0
Microsoft Corp.	3.9
Alphabet Inc., Class A	3.5
Facebook Inc., Class A	2.6
JPMorgan Chase & Co.	2.1
Johnson & Johnson	1.8
UnitedHealth Group Incorporated	1.8
Bank of America Corp.	1.7
Berkshire Hathaway Inc., Class B	1.6
Chevron Corp.	1.5
Pfizer Inc.	1.5
Boeing Co.	1.3
Intel Corp.	1.3
Home Depot Inc.	1.1
Wells Fargo & Company	1.1
Exxon Mobil Corp.	1.1
Texas Instruments Inc.	1.0
United Technologies Corp.	1.0
ConocoPhillips	1.0
McDonald's Corp.	1.0
Lowe's Companies	1.0
Medtronic Plc.	0.9
Comcast Corp., Class A	0.9
Visa Inc., Class A	0.9
Top 25 Holdings	43.9

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.



U.S. EQUITY FUND

RBC U.S. INDEX FUND

June 30, 2018

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

Sub-Advisor: State Street Global Advisors, Ltd.

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 currently seeks to provide long-term capital growth by tracking the performance of the FTSE USA Index and investing primarily in equity securities in substantially the same proportion as the index, either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate of RBC GAM. The Fund's securities are purchased in U.S. dollars. As a result, the Fund's return consists of a combination of the U.S. market return and the movement of the U.S. dollar relative to the Canadian currency.

Results of Operations

The Fund's net asset value was \$884 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 6.9%. 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.

The best-performing sectors were Information Technology, Consumer Discretionary and Health Care. The worst-performing sectors were Consumer Staples, Telecommunication Services and Industrials.

Recent Developments

The sub-advisor has no recent developments to report.

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.



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	Total	
Series A												
June 30, 2018	20.77	0.18	(0.07)	0.15	1.17	1.43	—	—	—	—	—	22.20
Dec. 31, 2017	18.60	0.37	(0.14)	0.51	1.63	2.37	—	(0.23)	—	—	(0.23)	20.77
Dec. 31, 2016	17.51	0.36	(0.12)	0.34	0.71	1.29	—	(0.24)	—	—	(0.24)	18.60
Dec. 31, 2015	14.84	0.36	(0.12)	0.23	2.36	2.83	—	(0.22)	—	—	(0.22)	17.51
Dec. 31, 2014	12.18	0.26	(0.10)	0.05	2.62	2.83	—	(0.15)	—	—	(0.15)	14.84
Dec. 31, 2013	8.78	0.20	(0.08)	(0.06)	3.40	3.46	—	(0.11)	—	—	(0.11)	12.18
Series F												
June 30, 2018	12.31	0.11	(0.01)	0.09	0.68	0.87	—	—	—	—	—	13.18
Dec. 31, 2017	11.04	0.22	(0.04)	0.30	1.02	1.50	—	(0.20)	—	—	(0.20)	12.31
Dec. 31, 2016 ³	10.00 [†]	0.11	(0.03)	0.10	1.02	1.20	—	(0.17)	—	—	(0.17)	11.04

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 July 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	22.20	834 587	37 586	0.66	0.66	6.61	—
Dec. 31, 2017	20.77	769 088	37 021	0.69 ⁴	0.69	6.73	—
Dec. 31, 2016	18.60	646 773	34 769	0.72	0.72	4.79	—
Dec. 31, 2015	17.51	621 159	35 472	0.72	0.72	2.52	0.01
Dec. 31, 2014	14.84	438 075	29 520	0.72	0.72	2.40	—
Dec. 31, 2013	12.18	302 353	24 829	0.72	0.72	13.13	0.01
Series F							
June 30, 2018	13.18	49 440	3 750	0.21	0.21	6.61	—
Dec. 31, 2017	12.31	31 414	2 553	0.33 ⁴	0.33	6.73	—
Dec. 31, 2016 ⁵	11.04	7 985	723	0.55	0.55	4.79	—

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, 2017, the management fees were changed in respect of Series F units of the Fund and the administration fees were changed in respect of Series A units of the Fund. If the changes to the management fees and administration fees would have been in effect throughout 2017, the adjusted MER for each series of the Fund would be: Series A – 0.66% and Series F – 0.21%.

⁵ From July 4, 2016.

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	0.50%	20%	80%
Series F	0.09%	—	100%

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

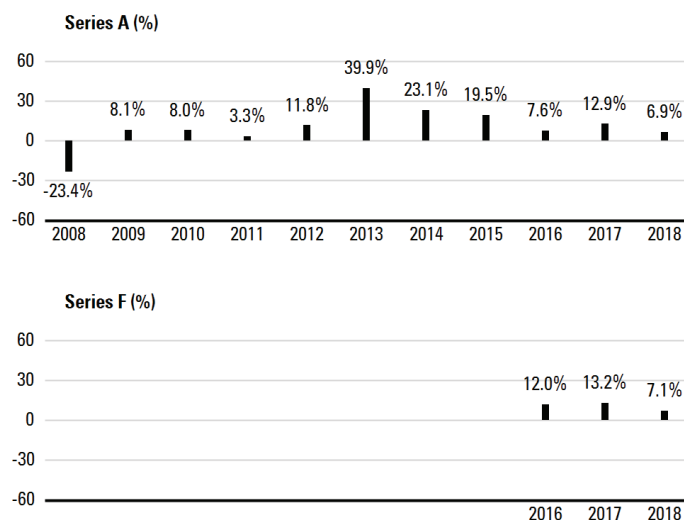


PAST PERFORMANCE

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 F units have been available for sale to unitholders since July 4, 2016.

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	26.3
Financials	14.0
Consumer Discretionary	13.5
Health Care	13.3
Industrials	9.1
Consumer Staples	7.1
Energy	6.3
Real Estate	2.8
Utilities	2.8
Materials	2.6
Telecommunication Services	2.0
Cash/Other	0.2

Top 25 Holdings

	% of Net Asset Value
Apple Inc.	3.7
Microsoft Corp.	3.1
Amazon.com, Inc.	2.9
Facebook Inc., Class A	1.9
JPMorgan Chase & Co.	1.5
Exxon Mobil Corp.	1.5
Alphabet Inc., Class C	1.4
Alphabet Inc., Class A	1.4
Johnson & Johnson	1.4
Bank of America Corp.	1.1
Wells Fargo & Company	1.0
Chevron Corp.	1.0
Berkshire Hathaway Inc., Class B	1.0
Visa Inc., Class A	1.0
UnitedHealth Group Incorporated	1.0
AT&T Inc.	1.0
Intel Corp.	1.0
Home Depot Inc.	0.9
Pfizer Inc.	0.9
Verizon Communications Inc.	0.9
Cisco Systems Inc.	0.9
The Procter & Gamble Co.	0.8
Boeing Co.	0.8
Mastercard Inc.	0.8
Citigroup Inc.	0.7
Top 25 Holdings	33.6

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.



U.S. EQUITY FUND

RBC U.S. INDEX CURRENCY NEUTRAL FUND

June 30, 2018

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

Sub-Advisor (for the underlying fund): State Street Global Advisors, Ltd.

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 currently seeks to provide long-term capital growth by tracking the performance of the FTSE USA Hedged 100% to CAD Index and investing primarily in units of the RBC U.S. Equity Index ETF (the “underlying fund”). The Fund may also use derivatives to hedge against the fluctuations in the value of the U.S. dollar relative to the Canadian dollar.

Results of Operations

The Fund’s net asset value was \$377 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units gained 2.3%. 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 concerns 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. However, 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 in past years.

It is the policy of the Fund to maintain currency hedges in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. Given this approach, unitholders did not benefit from the U.S. dollar’s rise against the Canadian dollar during the period.

Recent Developments

The sub-advisor has no recent developments to report.

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 \$26,000 (2017 – \$0) or 90% (2017 – 0%) 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	9.70	0.07	(0.02)	(0.03)	0.20	0.22	—	—	—	—	—	9.93	
Dec. 31, 2017	9.12	1.31	(0.06)	(0.21)	0.71	1.75	(1.14)	(0.03)	—	—	(1.17)	9.70	
Dec. 31, 2016	9.23	1.05	(0.07)	—	0.01	0.99	(1.11)	—	—	—	(1.11)	9.12	
Dec. 31, 2015	9.62	0.07	(0.07)	—	—	—	(0.37)	—	—	—	(0.37)	9.23	
Dec. 31, 2014	9.68	1.32	(0.07)	—	0.01	1.26	(1.34)	—	—	—	(1.34)	9.62	
Dec. 31, 2013	8.44	2.71	(0.07)	—	—	2.64	(1.39)	—	—	—	(1.39)	9.68	
Series F													
June 30, 2018	10.14	0.07	—	(0.03)	0.17	0.21	—	—	—	—	—	10.40	
Dec. 31, 2017	9.54	1.37	(0.03)	(0.22)	0.78	1.90	(1.25)	(0.03)	—	—	(1.28)	10.14	
Dec. 31, 2016 ³	10.00 [†]	0.56	(0.03)	—	0.26	0.79	(1.20)	—	—	—	(1.20)	9.54	

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 July 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	9.93	358 485	36 110	0.61	0.61	8.35	0.02
Dec. 31, 2017	9.70	365 492	37 645	0.64	0.64	4.74	0.03
Dec. 31, 2016	9.12	331 264	36 337	0.72	0.72	n/a	—
Dec. 31, 2015	9.23	317 771	34 421	0.72	0.72	n/a	—
Dec. 31, 2014	9.62	345 072	35 879	0.72	0.72	n/a	—
Dec. 31, 2013	9.68	332 186	34 313	0.72	0.72	n/a	—
Series F							
June 30, 2018	10.40	18 096	1 741	0.16	0.16	8.35	0.02
Dec. 31, 2017	10.14	11 625	1 146	0.25	0.25	4.74	0.03
Dec. 31, 2016 ⁴	9.54	2 195	230	0.55	0.55	n/a	—

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 From July 4, 2016.

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	0.41%	20%	80%
Series F	0.00%	—	100%

* Effective October 3, 2017, the management fees for Series A units were waived to 0.41% from 0.50%; and for Series F units were waived to 0.00% from 0.09% to account for the management fee charged by the underlying fund. Effective June 30, 2017, the management fees for Series F units were reduced to 0.09% from 0.40%.

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

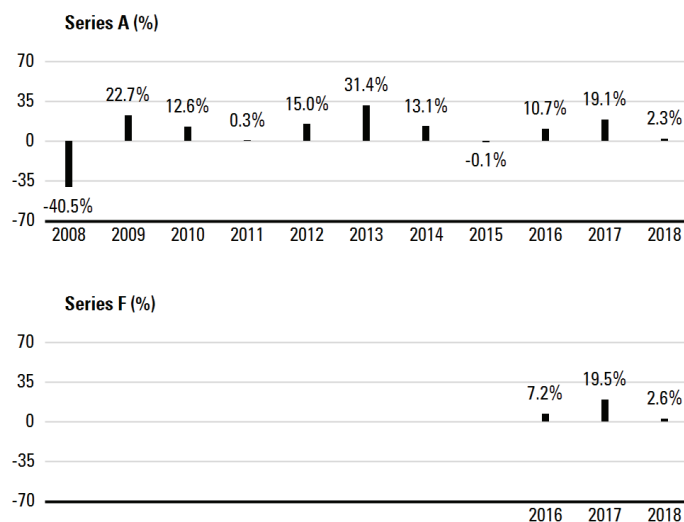


PAST PERFORMANCE

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 F units have been available for sale to unitholders since July 4, 2016.

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	26.3
Financials	14.0
Health Care	13.6
Consumer Discretionary	13.5
Industrials	9.1
Consumer Staples	6.8
Energy	6.3
Real Estate	2.8
Utilities	2.8
Materials	2.7
Telecommunication Services	2.0
Cash/Other	0.1

Top 25 Holdings*

	% of Net Asset Value
Apple Inc.	3.8
Microsoft Corp.	3.1
Amazon.com, Inc.	2.9
Facebook Inc., Class A	1.9
JPMorgan Chase & Co.	1.5
Exxon Mobil Corp.	1.5
Alphabet Inc., Class C	1.4
Alphabet Inc., Class A	1.4
Johnson & Johnson	1.4
Berkshire Hathaway Inc., Class B	1.3
Bank of America Corp.	1.1
Wells Fargo & Company	1.0
Chevron Corp.	1.0
Visa Inc., Class A	1.0
UnitedHealth Group Incorporated	1.0
AT&T Inc.	1.0
Intel Corp.	1.0
Home Depot Inc.	0.9
Pfizer Inc.	0.9
Cisco Systems Inc.	0.9
Verizon Communications Inc.	0.9
The Procter & Gamble Co.	0.8
Boeing Co.	0.8
Mastercard Inc.	0.8
Citigroup Inc.	0.7
Top 25 Holdings	34.0

* The Fund invests substantially all of its assets directly in the RBC U.S. Equity Index ETF. The above are the Top 25 holdings of the RBC U.S. Equity Index ETF.

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.



U.S. EQUITY FUND

RBC O'SHAUGHNESSY U.S. VALUE FUND (UNHEDGED)

June 30, 2018

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

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

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

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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.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns consisting of capital growth and current income by investing primarily in equity securities of U.S. companies based on Strategy Indexing®, an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

To achieve its objective, the Fund selects securities on the basis of several factors, including valuation, momentum and return of capital to shareholders. Valuation is based on a variety of measures, including a company's market capitalization ratios and financial statement metrics. The Fund also selects securities based on momentum which may include six-month total return and nine-month total return. Return of capital to shareholders may include dividends and buy-backs.

Results of Operations

The Fund was launched on January 29, 2018, and its net asset value was \$4 million as of June 30, 2018. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

In January 2018, Patrick O'Shaughnessy was promoted to chief executive officer of O'Shaughnessy Asset Management, the sub-advisor of the Fund. Patrick O'Shaughnessy directs the firm's initiatives in research and portfolio management, investor education and client relationships. He reports to Jim O'Shaughnessy, the firm's chairman and chief investment officer.

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.



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	Total	
Series A												
June 30, 2018³	10.00[†]	0.09	(0.06)	0.10	(0.14)	(0.01)	—	(0.01)	—	—	(0.01)	9.91
Advisor Series												
June 30, 2018³	10.00[†]	0.10	(0.07)	0.10	0.15	0.28	—	(0.01)	—	—	(0.01)	9.91
Series D												
June 30, 2018³	10.00[†]	0.10	(0.05)	0.10	0.35	0.50	—	(0.02)	—	—	(0.02)	9.92
Series F												
June 30, 2018³	10.00[†]	0.09	(0.04)	0.09	0.45	0.59	—	(0.03)	—	—	(0.03)	9.92
Series O												
June 30, 2018³	10.00[†]	0.10	—	0.11	(0.21)	—	—	(0.08)	—	—	(0.08)	9.91

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 January 17, 2018.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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, 2018⁴	9.91	774	78	1.50	1.53	14.04	0.10
Advisor Series							
June 30, 2018⁴	9.91	28	3	1.55	1.58	14.04	0.10
Series D							
June 30, 2018⁴	9.92	194	20	1.22	1.25	14.04	0.10
Series F							
June 30, 2018⁴	9.92	405	41	0.90	0.93	14.04	0.10
Series O							
June 30, 2018⁴	9.91	2 677	270	0.02	0.05	14.04	0.10

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 From January 17, 2018.

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	1.25%	52%	48%
Advisor Series	1.25%	52%	48%
Series D	1.00%	25%	75%
Series F	0.75%	—	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

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Advisor Series, Series D, Series F and Series O units of this Fund were launched on January 29, 2018.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
Financials	31.3
Information Technology	14.1
Consumer Staples	12.4
Consumer Discretionary	11.1
Energy	10.8
Industrials	8.2
Materials	6.9
Health Care	4.1
Telecommunication Services	0.5
Cash/Other	0.6

Top 25 Holdings

	% of Net Asset Value
Ameriprise Financial Inc.	4.4
Valero Energy Corp.	4.3
Citigroup Inc.	4.2
Marathon Petroleum Corp.	3.4
Fifth Third Bancorp	3.3
Regions Financial Corp.	3.1
MetLife Inc.	3.1
Conagra Brands Inc.	3.0
The Western Union Co.	3.0
Voya Financial Inc.	2.9
LyondellBasell Industries N.V.	2.7
The Procter & Gamble Co.	2.6
Seagate Technology	2.6
Sysco Corp.	2.5
Hartford Financial Services Inc.	2.5
Best Buy Co. Inc.	2.2
Celanese Corp.	2.1
Corning Inc.	2.1
Sealed Air Corp.	2.1
Ally Financial Inc.	2.0
Target Corporation	2.0
Citrix Systems Inc.	2.0
Express Scripts Holding Co.	1.9
Boeing Co.	1.9
Kohl's Corp.	1.8
Top 25 Holdings	67.7

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.



U.S. EQUITY FUND

RBC O'SHAUGHNESSY U.S. VALUE FUND

June 30, 2018

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

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

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 total returns consisting of capital growth and current income by investing primarily in equity securities of U.S. companies based on Strategy Indexing®, an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

To achieve its objective, the Fund selects securities on the basis of several factors, including valuation, momentum and return of capital to shareholders. Valuation is based on a variety of measures, including a company's market capitalization ratios and financial statement metrics. The Fund also selects securities based on momentum which may include six-month total return and nine-month total return. Return of capital to shareholders may include dividends and buy-backs. The Fund uses currency hedges to minimize the fluctuations in the U.S. dollar versus the Canadian dollar.

Results of Operations

The Fund's net asset value was \$1.6 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.5%. 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.

The S&P 500 Index outperformed other developed markets during the period, with equities in Europe and Japan declining in local-currency terms but positive when adjusted for a decline in the Canadian dollar. Canadian equities were up slightly. Commodity prices, including oil, appreciated during the period.

During the period, overweight exposure to value hurt returns. Overweight exposure to yield also had a marginal negative impact on performance. Overweight positions in earnings growth and momentum contributed to performance.

Security selection contributed to returns during the period, while sector allocation had a marginally negative impact. An overweight position in the Information Technology sector was positive for performance, offset by the negative impact of an overweight position in Consumer Staples. Security selection in the Information Technology and Health Care sectors held back returns but was more than offset by choices in the Industrials, Energy and Consumer Discretionary sectors. The inclusion of Ameriprise and General Mills in the portfolio and the absence of Intel held back returns. Weightings in XL Group, Valero and Boeing contributed the most to the Fund's performance.

It is the policy of the Fund to maintain currency hedges at all times in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. This policy had a negative effect on returns during the period.

The Fund decreased allocations to the Consumer Discretionary sector during the period and increased allocations to the Energy sector.

Recent Developments

In January 2018, Patrick O'Shaughnessy was promoted to chief executive officer of O'Shaughnessy Asset Management, the sub-advisor of the Fund. Patrick O'Shaughnessy directs the firm's initiatives in research and portfolio management, investor education and client relationships. He reports to Jim O'Shaughnessy, the firm's chairman and chief investment officer.

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.

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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 \$0 (2017 – \$38,000) or 0% (2017 – 8%) 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	Total	
Series A												
June 30, 2018	16.83	0.18	(0.13)	1.63	(1.56)	0.12	—	(0.05)	—	—	(0.05)	16.87
Dec. 31, 2017	15.20	0.36	(0.25)	2.22	0.84	3.17	—	(0.09)	(1.53)	—	(1.62)	16.83
Dec. 31, 2016	13.71	0.35	(0.21)	0.17	1.21	1.52	—	(0.21)	—	—	(0.21)	15.20
Dec. 31, 2015	15.13	0.31	(0.23)	(0.17)	(1.19)	(1.28)	—	(0.08)	—	—	(0.08)	13.71
Dec. 31, 2014	14.93	0.51	(0.24)	1.24	0.07	1.58	—	(0.27)	(1.11)	—	(1.38)	15.13
Dec. 31, 2013	10.19	0.27	(0.19)	1.35	3.40	4.83	—	(0.09)	—	—	(0.09)	14.91
Advisor Series												
June 30, 2018	17.03	0.19	(0.13)	1.65	(1.58)	0.13	—	(0.06)	—	—	(0.06)	17.06
Dec. 31, 2017	15.36	0.36	(0.24)	2.24	0.81	3.17	—	(0.09)	(1.53)	—	(1.62)	17.03
Dec. 31, 2016	13.85	0.36	(0.21)	0.17	1.13	1.45	—	(0.21)	—	—	(0.21)	15.36
Dec. 31, 2015	15.29	0.32	(0.23)	(0.17)	(1.20)	(1.28)	—	(0.09)	—	—	(0.09)	13.85
Dec. 31, 2014	15.09	0.52	(0.23)	1.25	0.07	1.61	—	(0.27)	(1.13)	—	(1.40)	15.29
Dec. 31, 2013	10.30	0.27	(0.19)	1.36	3.42	4.86	—	(0.09)	—	—	(0.09)	15.07
Series D												
June 30, 2018	16.90	0.18	(0.10)	1.64	(1.59)	0.13	—	(0.08)	—	—	(0.08)	16.93
Dec. 31, 2017	15.27	0.36	(0.20)	2.23	0.82	3.21	—	(0.14)	(1.55)	—	(1.69)	16.90
Dec. 31, 2016	13.75	0.35	(0.17)	0.17	1.31	1.66	—	(0.23)	—	—	(0.23)	15.27
Dec. 31, 2015	15.18	0.31	(0.18)	(0.17)	(1.20)	(1.24)	—	(0.13)	—	—	(0.13)	13.75
Dec. 31, 2014	14.98	0.51	(0.19)	1.24	0.07	1.63	—	(0.31)	(1.12)	—	(1.43)	15.18
Dec. 31, 2013	10.22	0.27	(0.16)	1.35	3.40	4.86	—	(0.12)	—	—	(0.12)	14.96
Series F												
June 30, 2018	17.41	0.19	(0.08)	1.69	(1.73)	0.07	—	(0.11)	—	—	(0.11)	17.45
Dec. 31, 2017	15.72	0.37	(0.16)	2.31	1.08	3.60	—	(0.20)	(1.58)	—	(1.78)	17.41
Dec. 31, 2016	14.13	0.37	(0.13)	0.18	1.49	1.91	—	(0.25)	—	—	(0.25)	15.72
Dec. 31, 2015	15.61	0.32	(0.15)	(0.18)	(1.23)	(1.24)	—	(0.17)	—	—	(0.17)	14.13
Dec. 31, 2014	15.40	0.53	(0.15)	1.28	0.07	1.73	—	(0.37)	(1.15)	—	(1.52)	15.61
Dec. 31, 2013	10.51	0.27	(0.12)	1.39	3.50	5.04	—	(0.16)	—	—	(0.16)	15.39
Series I												
June 30, 2018	17.08	0.19	(0.06)	1.66	(1.61)	0.18	—	(0.13)	—	—	(0.13)	17.12
Dec. 31, 2017	15.43	0.36	(0.11)	2.24	0.45	2.94	—	(0.24)	(1.55)	—	(1.79)	17.08
Dec. 31, 2016	13.86	0.36	(0.10)	0.18	1.34	1.78	—	(0.27)	—	—	(0.27)	15.43
Dec. 31, 2015	15.30	0.32	(0.10)	(0.17)	(1.20)	(1.15)	—	(0.21)	—	—	(0.21)	13.86
Dec. 31, 2014	15.09	0.52	(0.11)	1.25	0.07	1.73	—	(0.40)	(1.13)	—	(1.53)	15.30
Dec. 31, 2013	10.29	0.27	(0.09)	1.36	3.43	4.97	—	(0.19)	—	—	(0.19)	15.07



FINANCIAL HIGHLIGHTS (cont.)

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

							Annual Distributions ²					Net Assets End of Year/Period	
							From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total		
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total					Total		
Series O													
June 30, 2018	17.27	0.19	—	1.68	(1.57)	0.30	—	(0.18)	—	—	(0.18)	17.30	
Dec. 31, 2017	15.61	0.37	—	2.28	0.88	3.53	(0.01)	(0.35)	(1.58)	—	(1.94)	17.27	
Dec. 31, 2016	13.97	0.36	—	0.18	1.51	2.05	—	(0.32)	—	—	(0.32)	15.61	
Dec. 31, 2015	15.43	0.32	—	(0.18)	(1.22)	(1.08)	—	(0.31)	—	—	(0.31)	13.97	
Dec. 31, 2014	15.29	0.51	—	1.24	0.07	1.82	—	(0.57)	(1.15)	—	(1.72)	15.43	
Dec. 31, 2013	10.44	0.27	—	1.38	3.49	5.14	—	(0.28)	—	—	(0.28)	15.28	

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.

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	16.87	814 719	48 296	1.55	1.55	72.51	0.06
Dec. 31, 2017	16.83	889 259	52 826	1.55	1.55	68.37	0.05
Dec. 31, 2016	15.20	874 284	57 528	1.55	1.55	62.98	0.06
Dec. 31, 2015	13.71	1 015 117	74 062	1.55	1.55	54.36	0.06
Dec. 31, 2014	15.13	1 318 415	87 111	1.55	1.55	72.33	0.06
Dec. 31, 2013	14.93	1 192 091	79 839	1.55	1.55	58.22	0.06
Advisor Series							
June 30, 2018	17.06	22 827	1 338	1.50	1.50	72.51	0.06
Dec. 31, 2017	17.03	24 974	1 466	1.49	1.49	68.37	0.05
Dec. 31, 2016	15.36	27 290	1 777	1.49	1.49	62.98	0.06
Dec. 31, 2015	13.85	34 638	2 502	1.49	1.49	54.36	0.06
Dec. 31, 2014	15.29	48 166	3 151	1.50	1.50	72.33	0.06
Dec. 31, 2013	15.09	36 500	2 419	1.51	1.51	58.22	0.06
Series D							
June 30, 2018	16.93	84 222	4 974	1.22	1.22	72.51	0.06
Dec. 31, 2017	16.90	87 155	5 159	1.22	1.22	68.37	0.05
Dec. 31, 2016	15.27	88 337	5 786	1.22	1.22	62.98	0.06
Dec. 31, 2015	13.75	91 113	6 628	1.22	1.22	54.36	0.06
Dec. 31, 2014	15.18	115 644	7 619	1.22	1.22	72.33	0.06
Dec. 31, 2013	14.98	86 516	5 777	1.23	1.23	58.22	0.06
Series F							
June 30, 2018	17.45	134 333	7 700	0.93	0.93	72.51	0.06
Dec. 31, 2017	17.41	110 270	6 334	0.94	0.94	68.37	0.05
Dec. 31, 2016	15.72	70 197	4 466	0.94	0.94	62.98	0.06
Dec. 31, 2015	14.13	54 948	3 887	0.94	0.94	54.36	0.06
Dec. 31, 2014	15.61	88 318	5 660	0.94	0.94	72.33	0.06
Dec. 31, 2013	15.40	77 040	5 002	0.95	0.95	58.22	0.06



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 I							
June 30, 2018	17.12	4 878	285	0.67	0.67	72.51	0.06
Dec. 31, 2017	17.08	5 074	297	0.66	0.66	68.37	0.05
Dec. 31, 2016	15.43	8 721	565	0.69	0.69	62.98	0.06
Dec. 31, 2015	13.86	7 994	577	0.68	0.68	54.36	0.06
Dec. 31, 2014	15.30	31 796	2 079	0.70	0.70	72.33	0.06
Dec. 31, 2013	15.09	22 693	1 504	0.70	0.70	58.22	0.06
Series O							
June 30, 2018	17.30	544 739	31 479	0.02	0.02	72.51	0.06
Dec. 31, 2017	17.27	626 174	36 262	0.02	0.02	68.37	0.05
Dec. 31, 2016	15.61	581 220	37 239	0.02	0.02	62.98	0.06
Dec. 31, 2015	13.97	497 227	35 582	0.02	0.02	54.36	0.06
Dec. 31, 2014	15.43	471 596	30 561	0.02	0.02	72.33	0.06
Dec. 31, 2013	15.29	210 081	13 737	0.02	0.02	58.22	0.06

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.

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	1.25%	52%	48%
Advisor Series	1.25%	52%	48%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%
Series I	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.

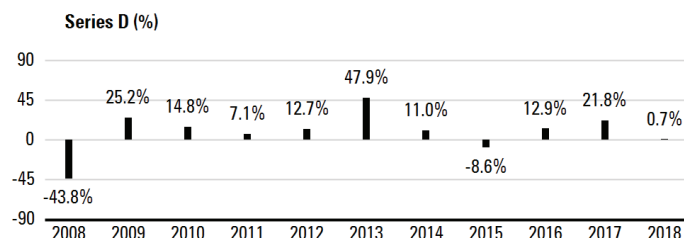
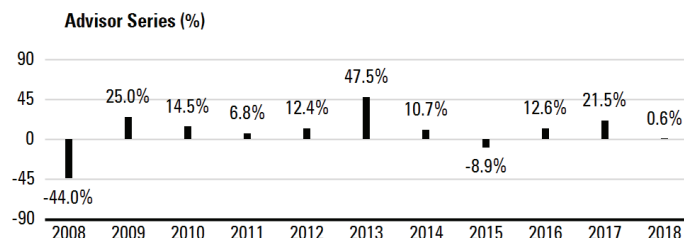
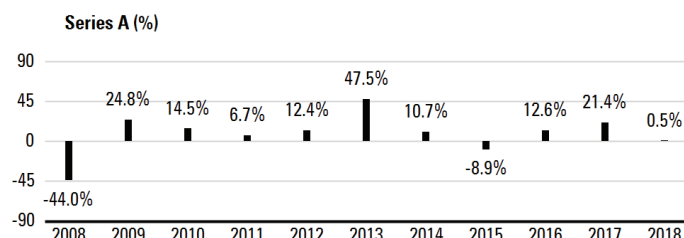


PAST PERFORMANCE

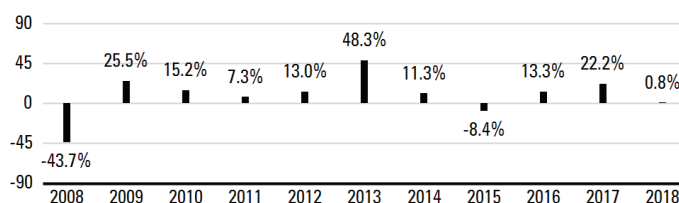
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

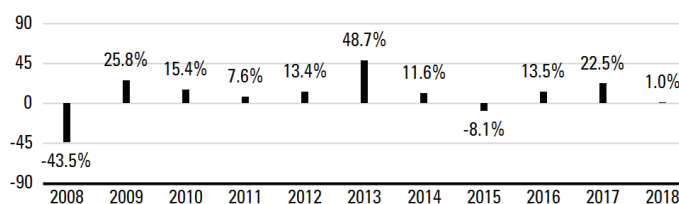
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



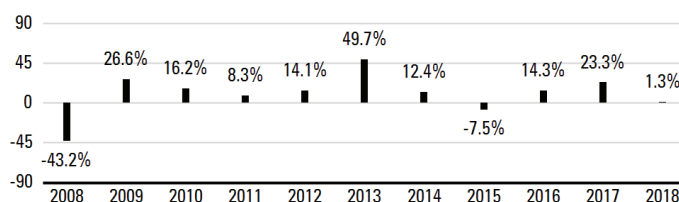
Series F (%)



Series I (%)



Series O (%)



Inception dates are not provided for series that have been in existence for more than 10 years.

Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016.

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
Financials	30.4
Information Technology	14.8
Consumer Staples	13.0
Energy	10.8
Consumer Discretionary	9.7
Industrials	8.8
Materials	7.3
Health Care	5.6
Telecommunication Services	0.4
Cash/Other	(0.8)

Top 25 Holdings

	% of Net Asset Value
Valero Energy Corp.	4.9
Ameriprise Financial Inc.	4.5
Citigroup Inc.	4.3
LyondellBasell Industries N.V.	3.6
Marathon Petroleum Corp.	3.4
The Procter & Gamble Co.	3.4
The Western Union Co.	3.4
Fifth Third Bancorp	3.2
Regions Financial Corp.	3.2
Hartford Financial Services Inc.	3.1
Conagra Brands Inc.	3.0
MetLife Inc.	3.0
Voya Financial Inc.	2.9
Express Scripts Holding Co.	2.9
Sysco Corp.	2.8
Corning Inc.	2.7
Seagate Technology	2.6
Best Buy Co. Inc.	2.6
Target Corporation	2.3
Celanese Corp.	2.0
Boeing Co.	2.0
Citrix Systems Inc.	1.9
Ally Financial Inc.	1.8
MSCI Inc.	1.7
Sealed Air Corp.	1.7
Top 25 Holdings	72.9

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.



U.S. EQUITY FUND

RBC U.S. MID-CAP GROWTH EQUITY FUND

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (U.S.) Inc., Minneapolis, Minnesota

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 U.S. mid-cap equities and common-stock equivalents, allowing broad exposure to growth opportunities in U.S. equity markets.

The Fund diversifies across industries in the U.S. market and seeks companies with strong management, focused business models and prospects for growth in earnings and cash flow.

Results of Operations

The Fund's net asset value was \$929 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 14.2%. 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.

The Fund was bolstered by stock selection, while sector allocation did not have a significant effect on overall returns. The strongest stock selection came in the Health Care and Information Technology sectors, offsetting the negative impact of stock selection in the Consumer Staples and Financials sectors. Additional contributions came from underweight positions in the Information Technology and Materials sectors and overweight allocations to Health Care and Industrials.

Individual stocks that had a positive impact on returns included Haemonetics, a medical-devices company; FirstCash, the largest pawn-store operator in the Americas; and Health Equity, which helps people manage health-savings accounts.

Recent Developments

The sub-advisor believes that the portfolio has been positioned to deliver strong results in an environment in which stocks could become more volatile. The Fund's performance has benefited from holdings in companies with strong earnings prospects, and the sub-advisor continues to take a long-term view of the equity markets.

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.

Sub-Advisor

RBC Global Asset Management (U.S.) Inc. is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.



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	Total	
Series A												
June 30, 2018	30.79	0.22	(0.34)	0.89	3.61	4.38	—	—	—	—	—	35.15
Dec. 31, 2017	27.95	0.17	(0.62)	1.51	2.51	3.57	—	—	(0.79)	—	(0.79)	30.79
Dec. 31, 2016	27.18	0.16	(0.56)	1.42	(0.02)	1.00	—	—	(0.40)	—	(0.40)	27.95
Dec. 31, 2015	26.51	0.19	(0.61)	10.32	(4.43)	5.47	—	—	(3.38)	—	(3.38)	27.18
Dec. 31, 2014	23.24	0.13	(0.51)	1.97	2.33	3.92	—	—	(0.44)	—	(0.44)	26.51
Dec. 31, 2013	16.90	0.09	(0.43)	0.59	6.05	6.30	—	—	—	—	—	23.24
Advisor Series												
June 30, 2018	30.86	0.22	(0.34)	0.89	3.40	4.17	—	—	—	—	—	35.25
Dec. 31, 2017	28.02	0.17	(0.62)	1.52	2.53	3.60	—	—	(0.79)	—	(0.79)	30.86
Dec. 31, 2016	27.24	0.16	(0.56)	1.43	(0.15)	0.88	—	—	(0.40)	—	(0.40)	28.02
Dec. 31, 2015	26.57	0.20	(0.61)	10.70	(4.59)	5.70	—	—	(3.39)	—	(3.39)	27.24
Dec. 31, 2014	23.28	0.13	(0.51)	1.98	2.34	3.94	—	—	(0.44)	—	(0.44)	26.57
Dec. 31, 2013	16.93	0.09	(0.43)	0.59	6.05	6.30	—	—	—	—	—	23.28
Series D												
June 30, 2018	33.80	0.24	(0.22)	0.98	3.73	4.73	—	—	—	—	—	38.77
Dec. 31, 2017	30.43	0.19	(0.39)	1.65	2.62	4.07	—	—	(0.87)	—	(0.87)	33.80
Dec. 31, 2016	29.31	0.17	(0.35)	1.54	(0.24)	1.12	—	—	(0.42)	—	(0.42)	30.43
Dec. 31, 2015	28.30	0.21	(0.38)	11.24	(4.82)	6.25	—	—	(3.60)	—	(3.60)	29.31
Dec. 31, 2014	24.58	0.14	(0.31)	2.08	2.46	4.37	—	—	(0.46)	—	(0.46)	28.30
Dec. 31, 2013	17.72	0.09	(0.26)	0.62	6.37	6.82	—	—	—	—	—	24.58
Series F												
June 30, 2018	36.23	0.26	(0.18)	1.05	4.18	5.31	—	—	—	—	—	41.61
Dec. 31, 2017	32.53	0.20	(0.33)	1.77	2.62	4.26	—	—	(0.93)	—	(0.93)	36.23
Dec. 31, 2016	31.25	0.18	(0.30)	1.64	1.18	2.70	—	—	(0.45)	—	(0.45)	32.53
Dec. 31, 2015	30.12	0.23	(0.32)	12.37	(5.30)	6.98	—	—	(3.87)	—	(3.87)	31.25
Dec. 31, 2014	26.10	0.15	(0.26)	2.21	2.61	4.71	—	—	(0.48)	—	(0.48)	30.12
Dec. 31, 2013	18.77	0.10	(0.22)	0.65	6.75	7.28	—	—	—	—	—	26.09



FINANCIAL HIGHLIGHTS (cont.)

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

							Annual Distributions ²					
		Increase (Decrease) from Operations ¹										
	Net Assets	Total		Realized	Unrealized		From		From			Net Assets
For the Year/ Period Ended	Beginning of Year/Period	Revenue (Loss)	Total Expenses	Gains (Losses)	Gains (Losses)	Total	(Excluding Dividends)	Dividends	Capital Gains	Return of Capital	Total	End of Year/Period
Series O												
June 30, 2018	37.20	0.27	—	1.08	4.41	5.76	—	—	—	—	—	42.92
Dec. 31, 2017	33.20	0.21	(0.01)	1.81	3.11	5.12	(0.01)	(0.11)	(0.96)	—	(1.08)	37.20
Dec. 31, 2016	31.70	0.19	(0.01)	1.67	0.33	2.18	—	(0.09)	(0.47)	—	(0.56)	33.20
Dec. 31, 2015	30.53	0.20	(0.01)	10.79	(4.63)	6.35	—	(0.26)	(3.97)	—	(4.23)	31.70
Dec. 31, 2014	26.30	0.15	(0.01)	2.23	2.64	5.01	—	(0.10)	(0.50)	—	(0.60)	30.53
Dec. 31, 2013	18.79	0.10	(0.01)	0.66	6.78	7.53	—	(0.07)	—	—	(0.07)	26.30

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.

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	35.15	95 455	2 716	2.10	2.10	10.85	0.01
Dec. 31, 2017	30.79	87 333	2 837	2.10	2.10	10.36	0.01
Dec. 31, 2016	27.95	86 645	3 100	2.10	2.10	9.84	0.02
Dec. 31, 2015	27.18	99 611	3 665	2.10	2.10	14.83	0.05
Dec. 31, 2014	26.51	93 871	3 541	2.10	2.10	22.88	0.02
Dec. 31, 2013	23.24	80 436	3 460	2.11	2.11	17.96	0.02
Advisor Series							
June 30, 2018	35.25	3 452	98	2.06	2.06	10.85	0.01
Dec. 31, 2017	30.86	2 305	75	2.10	2.10	10.36	0.01
Dec. 31, 2016	28.02	2 107	75	2.09	2.09	9.84	0.02
Dec. 31, 2015	27.24	2 284	84	2.07	2.07	14.83	0.05
Dec. 31, 2014	26.57	1 236	47	2.09	2.09	22.88	0.02
Dec. 31, 2013	23.28	1 139	49	2.11	2.11	17.96	0.02
Series D							
June 30, 2018	38.77	18 540	478	1.21	1.21	10.85	0.01
Dec. 31, 2017	33.80	11 536	341	1.21	1.21	10.36	0.01
Dec. 31, 2016	30.43	9 217	303	1.20	1.20	9.84	0.02
Dec. 31, 2015	29.31	11 132	380	1.20	1.20	14.83	0.05
Dec. 31, 2014	28.30	8 270	292	1.21	1.21	22.88	0.02
Dec. 31, 2013	24.58	5 323	217	1.21	1.21	17.96	0.02
Series F							
June 30, 2018	41.61	40 696	978	0.92	0.92	10.85	0.01
Dec. 31, 2017	36.23	12 949	357	0.94	0.94	10.36	0.01
Dec. 31, 2016	32.53	8 493	261	0.95	0.95	9.84	0.02
Dec. 31, 2015	31.25	3 686	118	0.94	0.94	14.83	0.05
Dec. 31, 2014	30.12	1 998	66	0.95	0.95	22.88	0.02
Dec. 31, 2013	26.10	1 268	49	0.96	0.96	17.96	0.02



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 O							
June 30, 2018	42.92	771 209	17 968	0.02	0.02	10.85	0.01
Dec. 31, 2017	37.20	684 881	18 409	0.02	0.02	10.36	0.01
Dec. 31, 2016	33.20	566 870	17 075	0.02	0.02	9.84	0.02
Dec. 31, 2015	31.70	504 958	15 931	0.02	0.02	14.83	0.05
Dec. 31, 2014	30.53	1 050 529	34 408	0.02	0.02	22.88	0.02
Dec. 31, 2013	26.30	810 859	30 827	0.02	0.02	17.96	0.02

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.

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	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	—	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.

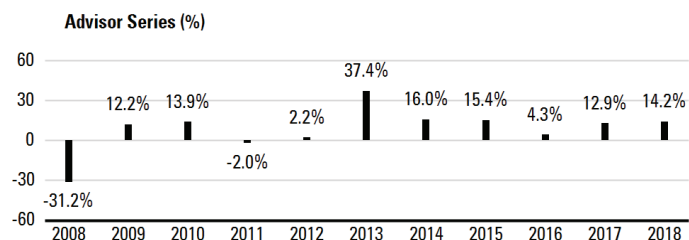
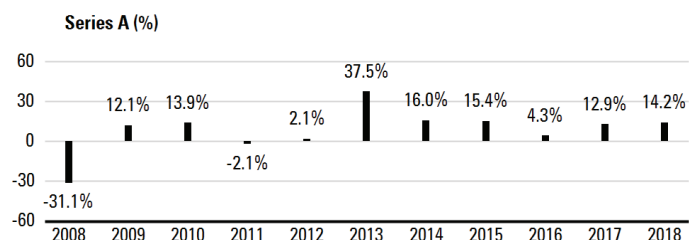


PAST PERFORMANCE

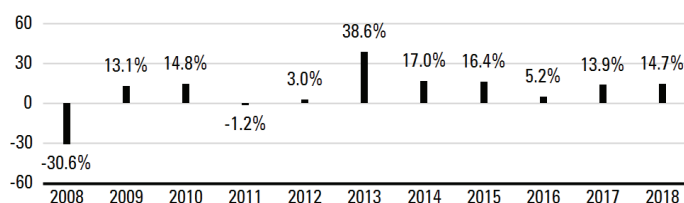
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

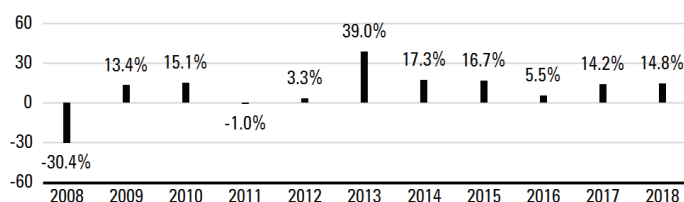
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



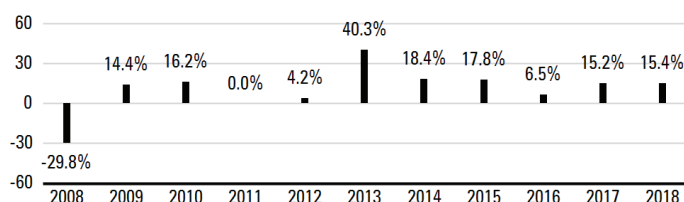
Series D (%)



Series F (%)



Series O (%)



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	25.9
Industrials	21.6
Health Care	20.2
Consumer Discretionary	10.9
Financials	8.0
Consumer Staples	4.8
Materials	2.8
Energy	2.1
Real Estate	1.6
Cash/Other	2.1

Top 25 Holdings

	% of Net Asset Value
Abiomed Inc.	3.1
WEX Inc.	2.1
Autodesk Inc.	2.1
Cash & Cash Equivalents	2.1
Aspen Technology Inc.	1.7
Align Technology Inc.	1.7
Red Hat Inc.	1.7
SynOpsys Inc.	1.6
Raymond James Financial Corp.	1.6
Fidelity National Information Services Inc.	1.6
Roper Technologies Inc.	1.6
Waste Connections Inc.	1.6
Ross Stores Inc.	1.5
HealthEquity Inc.	1.5
Copart Inc.	1.5
Ansys Inc.	1.5
Woodward Inc.	1.5
Globus Medical Inc., Class A	1.5
MercadoLibre Inc.	1.5
Aptargroup Inc.	1.5
Dollar Tree Inc.	1.5
CDW Corp.	1.5
IHS Markit Ltd.	1.4
Wabtec Corp.	1.4
Bright Horizons Family Solutions Inc.	1.4
Top 25 Holdings	41.7

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.



U.S. EQUITY FUND

**RBC U.S. MID-CAP GROWTH EQUITY
CURRENCY NEUTRAL FUND**

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (U.S.) Inc., Minneapolis, Minnesota

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

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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.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital appreciation, primarily through investing in mid-capitalized equity securities of U.S. companies while minimizing the exposure to fluctuations between the U.S. and Canadian dollar exchange rates.

The Fund diversifies across industries and selects companies with strong management, focused business models and the potential for growth in earnings and cash flow. The Fund uses currency hedges to minimize the impact of fluctuations in the U.S. dollar versus the Canadian dollar.

Results of Operations

The Fund's net asset value was \$15 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 8.5%. 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.

The Fund was bolstered by stock selection, while sector allocation did not have a significant effect on overall returns. The strongest stock selection came in the Health Care and Information Technology sectors, offsetting the negative impact of stock selection in the Consumer Staples and Financials sectors. Additional contributions came from underweight positions in the Information Technology and Materials sectors and overweight allocations to Health Care and Industrials.

Individual stocks that had a positive impact on returns included Haemonetics, a medical-devices company; FirstCash, the largest pawn-store operator in the Americas; and Health Equity, which helps people manage health-savings accounts.

It is the policy of the Fund to maintain currency hedges in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. Given this approach, unitholders did not benefit from the U.S. dollar's rise against the Canadian dollar during the period.

Recent Developments

The sub-advisor believes that the portfolio has been positioned to deliver strong results in an environment in which stocks could become more volatile. The Fund's performance has benefited from holdings in companies with strong earnings prospects, and the sub-advisor continues to take a long-term view of the equity markets.

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.

Sub-Advisor

RBC Global Asset Management (U.S.) Inc. is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.

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	Total		
Series A													
June 30, 2018	14.73	0.10	(0.16)	0.01	1.30	1.25	—	—	—	—	—	15.99	
Dec. 31, 2017	12.31	0.08	(0.28)	1.16	1.46	2.42	—	—	—	—	—	14.73	
Dec. 31, 2016	11.64	0.07	(0.25)	2.49	(1.64)	0.67	—	—	—	—	—	12.31	
Dec. 31, 2015	11.96	0.08	(0.25)	(0.78)	0.61	(0.34)	—	—	—	—	—	11.64	
Dec. 31, 2014	11.22	0.06	(0.24)	0.54	0.34	0.70	—	—	—	—	—	11.96	
Dec. 31, 2013	8.63	0.04	(0.21)	(0.07)	2.84	2.60	—	—	—	—	—	11.22	
Advisor Series													
June 30, 2018	14.82	0.10	(0.16)	0.01	1.26	1.21	—	—	—	—	—	16.10	
Dec. 31, 2017	12.38	0.08	(0.28)	1.16	1.48	2.44	—	—	—	—	—	14.82	
Dec. 31, 2016	11.69	0.07	(0.24)	2.53	(1.53)	0.83	—	—	—	—	—	12.38	
Dec. 31, 2015	12.01	0.08	(0.25)	(0.78)	0.61	(0.34)	—	—	—	—	—	11.69	
Dec. 31, 2014	11.26	0.06	(0.23)	0.54	0.34	0.71	—	—	—	—	—	12.01	
Dec. 31, 2013	8.66	0.04	(0.21)	(0.07)	2.85	2.61	—	—	—	—	—	11.26	
Series D													
June 30, 2018	16.12	0.11	(0.10)	0.01	1.30	1.32	—	—	—	—	—	17.57	
Dec. 31, 2017	13.35	0.08	(0.18)	1.26	1.55	2.71	—	—	—	—	—	16.12	
Dec. 31, 2016	12.51	0.07	(0.16)	2.76	(1.56)	1.11	—	—	—	—	—	13.35	
Dec. 31, 2015	12.75	0.08	(0.16)	(0.83)	0.65	(0.26)	—	—	—	—	—	12.51	
Dec. 31, 2014	11.86	0.06	(0.15)	0.57	0.35	0.83	—	—	—	—	—	12.75	
Dec. 31, 2013	9.04	0.05	(0.13)	(0.07)	2.99	2.84	—	—	—	—	—	11.85	
Series F													
June 30, 2018	16.75	0.11	(0.08)	0.01	1.49	1.53	—	—	—	—	—	18.29	
Dec. 31, 2017	13.84	0.09	(0.15)	1.31	1.71	2.96	—	—	—	—	—	16.75	
Dec. 31, 2016	12.94	0.08	(0.13)	2.83	(1.13)	1.65	—	—	—	—	—	13.84	
Dec. 31, 2015	13.15	0.09	(0.13)	(0.85)	0.67	(0.22)	—	—	—	—	—	12.94	
Dec. 31, 2014	12.20	0.06	(0.12)	0.60	0.37	0.91	—	—	—	—	—	13.15	
Dec. 31, 2013	9.28	0.05	(0.11)	(0.07)	3.07	2.94	—	—	—	—	—	12.20	

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.



FINANCIAL HIGHLIGHTS (cont.)

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	15.99	8 460	529	2.10	2.11	8.58	—
Dec. 31, 2017	14.73	7 965	541	2.10	2.12	12.15	0.01
Dec. 31, 2016	12.31	7 644	621	2.08	2.10	34.44	0.04
Dec. 31, 2015	11.64	10 256	881	2.08	2.10	16.37	0.02
Dec. 31, 2014	11.96	10 826	905	2.08	2.11	12.19	0.02
Dec. 31, 2013	11.22	11 192	997	2.11	2.11	7.11	0.01
Advisor Series							
June 30, 2018	16.10	801	50	2.00	2.01	8.58	—
Dec. 31, 2017	14.82	698	47	2.04	2.06	12.15	0.01
Dec. 31, 2016	12.38	314	25	2.01	2.03	34.44	0.04
Dec. 31, 2015	11.69	350	30	2.02	2.05	16.37	0.02
Dec. 31, 2014	12.01	246	20	2.02	2.05	12.19	0.02
Dec. 31, 2013	11.26	248	22	2.07	2.07	7.11	0.01
Series D							
June 30, 2018	17.57	2 078	118	1.20	1.21	8.58	—
Dec. 31, 2017	16.12	1 449	90	1.19	1.21	12.15	0.01
Dec. 31, 2016	13.35	774	58	1.20	1.22	34.44	0.04
Dec. 31, 2015	12.51	399	32	1.22	1.25	16.37	0.02
Dec. 31, 2014	12.75	315	25	1.20	1.23	12.19	0.02
Dec. 31, 2013	11.86	554	47	1.22	1.22	7.11	0.01
Series F							
June 30, 2018	18.29	3 658	200	0.94	0.95	8.58	—
Dec. 31, 2017	16.75	2 391	143	0.96	0.98	12.15	0.01
Dec. 31, 2016	13.84	1 352	98	0.96	0.98	34.44	0.04
Dec. 31, 2015	12.94	621	48	0.96	0.98	16.37	0.02
Dec. 31, 2014	13.15	206	16	0.95	0.98	12.19	0.02
Dec. 31, 2013	12.20	77	6	0.97	0.97	7.11	0.01

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.

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	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%

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

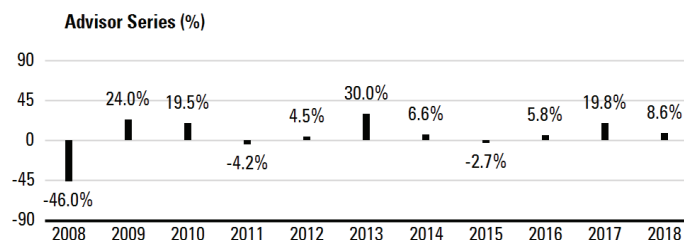
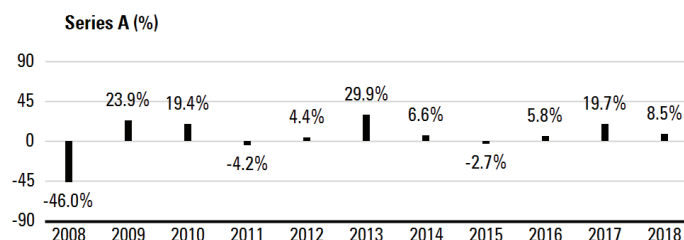


PAST PERFORMANCE

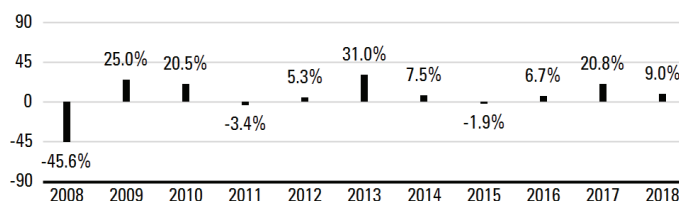
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

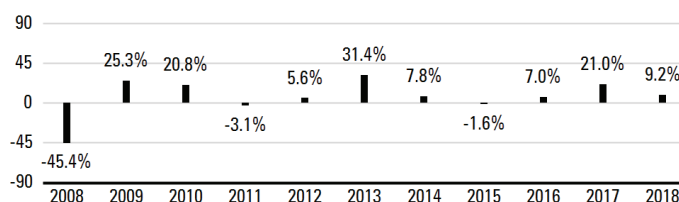
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series D (%)



Series F (%)



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	25.5
Industrials	21.2
Health Care	20.0
Consumer Discretionary	10.7
Financials	7.9
Consumer Staples	4.7
Materials	2.8
Energy	2.1
Real Estate	1.6
Cash/Other	3.5

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	3.5
Abiomed Inc.	3.2
WEX Inc.	2.1
Autodesk Inc.	2.1
Aspen Technology Inc.	1.7
Align Technology Inc.	1.6
Red Hat Inc.	1.6
Raymond James Financial Corp.	1.6
Fidelity National Information Services Inc.	1.6
HealthEquity Inc.	1.6
Copart Inc.	1.6
SynOpsys Inc.	1.5
Ansys Inc.	1.5
Roper Technologies Inc.	1.5
Waste Connections Inc.	1.5
MercadoLibre Inc.	1.5
Woodward Inc.	1.5
Aptargroup Inc.	1.5
Ross Stores Inc.	1.5
Dollar Tree Inc.	1.5
IHS Markit Ltd.	1.4
Globus Medical Inc., Class A	1.4
CDW Corp.	1.4
Wabtec Corp.	1.4
Waters Corp.	1.4
Top 25 Holdings	42.7

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.



U.S. EQUITY FUND

RBC U.S. MID-CAP VALUE EQUITY FUND

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (U.S.) Inc., Minneapolis, Minnesota

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. mid-cap companies that are deemed to be undervalued in order to provide broad exposure to economic growth opportunities in the equity markets.

The Fund's investment process is based primarily on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook. The portfolio manager diversifies the Fund across industries in the U.S. market and selects companies based on strong management, focused business models and the potential for future growth in earnings and cash flow.

Results of Operations

The Fund's net asset value was \$699 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 4.5%. 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.

The Fund's returns were bolstered by favourable stock selection, while sector allocation contributed modestly to overall performance. The positive impact of stock selection was most pronounced in the Health Care and Financials sectors, but Real Estate and Utilities also contributed modestly. The portfolio also received a big boost from an overweight position in the Information Technology sector, with other sectors offering essentially flat returns in terms of sector allocation.

Individual stocks that had a positive impact on returns included National General Holdings, a property/casualty insurance company; Jazz Pharmaceuticals, a biopharmaceuticals company; and Microsemi, a semiconductor manufacturer that was taken over during the period.

Recent Developments

The Fund has had a relatively strong start to the year as steps to reduce the portfolio's susceptibility to wide swings in performance have had a positive impact on returns. The sub-advisor is confident in the current make-up of the Fund as well as the earnings prospects of the portfolio's holdings.

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.

Sub-Advisor

RBC Global Asset Management (U.S.) Inc. is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.

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	Total		
Series A													
June 30, 2018	11.91	0.07	(0.12)	0.14	0.44	0.53	—	—	—	—	—	12.45	
Dec. 31, 2017	13.39	0.15	(0.26)	0.33	(0.96)	(0.74)	—	—	(0.81)	—	(0.81)	11.91	
Dec. 31, 2016	12.39	0.13	(0.25)	0.40	0.53	0.81	—	—	(0.18)	—	(0.18)	13.39	
Dec. 31, 2015	12.61	0.19	(0.30)	2.08	(0.79)	1.18	—	—	(1.56)	—	(1.56)	12.39	
Dec. 31, 2014	13.08	0.16	(0.31)	4.19	(0.61)	3.43	—	—	(3.87)	—	(3.87)	12.61	
Dec. 31, 2013	10.25	0.12	(0.28)	1.39	2.85	4.08	—	—	(1.26)	—	(1.26)	13.07	
Advisor Series													
June 30, 2018	11.94	0.07	(0.12)	0.14	0.46	0.55	—	—	—	—	—	12.48	
Dec. 31, 2017	13.41	0.15	(0.26)	0.33	(1.04)	(0.82)	—	—	(0.81)	—	(0.81)	11.94	
Dec. 31, 2016	12.42	0.13	(0.25)	0.40	(0.96)	(0.68)	—	—	(0.18)	—	(0.18)	13.41	
Dec. 31, 2015	12.63	0.19	(0.30)	2.09	(0.80)	1.18	—	—	(1.56)	—	(1.56)	12.42	
Dec. 31, 2014	13.09	0.16	(0.31)	4.20	(0.61)	3.44	—	—	(3.87)	—	(3.87)	12.63	
Dec. 31, 2013	10.25	0.12	(0.28)	1.38	2.84	4.06	—	—	(1.26)	—	(1.26)	13.09	
Series D													
June 30, 2018	12.64	0.08	(0.08)	0.15	0.50	0.65	—	—	—	—	—	13.28	
Dec. 31, 2017	14.08	0.16	(0.17)	0.35	(0.95)	(0.61)	—	—	(0.84)	—	(0.84)	12.64	
Dec. 31, 2016	12.93	0.14	(0.16)	0.42	0.30	0.70	—	—	(0.19)	—	(0.19)	14.08	
Dec. 31, 2015	13.04	0.19	(0.19)	2.17	(0.83)	1.34	—	—	(1.61)	—	(1.61)	12.93	
Dec. 31, 2014	13.31	0.16	(0.20)	4.28	(0.62)	3.62	—	—	(3.87)	—	(3.87)	13.04	
Dec. 31, 2013	10.32	0.13	(0.18)	1.41	2.89	4.25	—	—	(1.26)	—	(1.26)	13.30	
Series F													
June 30, 2018	12.89	0.08	(0.06)	0.15	0.45	0.62	—	—	—	—	—	13.55	
Dec. 31, 2017	14.33	0.17	(0.13)	0.35	(1.19)	(0.80)	—	(0.02)	(0.86)	—	(0.88)	12.89	
Dec. 31, 2016	13.13	0.14	(0.13)	0.43	0.94	1.38	—	(0.01)	(0.19)	—	(0.20)	14.33	
Dec. 31, 2015	13.19	0.20	(0.15)	2.23	(0.85)	1.43	—	—	(1.62)	—	(1.62)	13.13	
Dec. 31, 2014	13.39	0.16	(0.16)	4.32	(0.63)	3.69	—	—	(3.87)	—	(3.87)	13.19	
Dec. 31, 2013	10.36	0.12	(0.14)	1.40	2.88	4.26	—	—	(1.26)	—	(1.26)	13.39	
Series O													
June 30, 2018	13.03	0.08	(0.01)	0.15	0.53	0.75	—	—	—	—	—	13.75	
Dec. 31, 2017	14.49	0.17	(0.02)	0.36	(0.97)	(0.46)	—	(0.13)	(0.88)	—	(1.01)	13.03	
Dec. 31, 2016	13.27	0.14	(0.01)	0.43	1.21	1.77	—	(0.12)	(0.20)	—	(0.32)	14.49	
Dec. 31, 2015	13.29	0.19	(0.02)	2.13	(0.81)	1.49	—	(0.08)	(1.66)	—	(1.74)	13.27	
Dec. 31, 2014	13.44	0.16	(0.02)	4.29	(0.62)	3.81	—	(0.11)	(3.87)	—	(3.98)	13.29	
Dec. 31, 2013	10.38	0.13	(0.01)	1.43	2.94	4.49	—	(0.12)	(1.26)	—	(1.38)	13.43	

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.



FINANCIAL HIGHLIGHTS (cont.)

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	12.45	18 220	1 463	2.03	2.03	76.64	0.06
Dec. 31, 2017	11.91	20 944	1 758	2.03	2.03	125.51	0.23
Dec. 31, 2016	13.39	23 881	1 784	2.09 ⁴	2.09	167.50	0.32
Dec. 31, 2015	12.39	29 134	2 351	2.15	2.15	153.85	0.33
Dec. 31, 2014	12.61	17 106	1 356	2.15	2.15	145.70	0.27
Dec. 31, 2013	13.08	7 507	574	2.17	2.17	104.36	0.18
Advisor Series							
June 30, 2018	12.48	9 620	771	2.03	2.03	76.64	0.06
Dec. 31, 2017	11.94	12 296	1 030	2.03	2.03	125.51	0.23
Dec. 31, 2016	13.41	13 787	1 028	2.15 ⁴	2.15	167.50	0.32
Dec. 31, 2015	12.42	36 679	2 953	2.14	2.14	153.85	0.33
Dec. 31, 2014	12.63	18 183	1 439	2.12	2.12	145.70	0.27
Dec. 31, 2013	13.09	8 903	680	2.12	2.12	104.36	0.18
Series D							
June 30, 2018	13.28	4 866	367	1.21	1.21	76.64	0.06
Dec. 31, 2017	12.64	5 384	426	1.21	1.21	125.51	0.23
Dec. 31, 2016	14.08	8 441	599	1.27 ⁴	1.27	167.50	0.32
Dec. 31, 2015	12.93	12 305	952	1.33	1.33	153.85	0.33
Dec. 31, 2014	13.04	6 713	515	1.34	1.34	145.70	0.27
Dec. 31, 2013	13.31	1 734	130	1.36	1.36	104.36	0.18
Series F							
June 30, 2018	13.55	15 728	1 161	0.92	0.92	76.64	0.06
Dec. 31, 2017	12.89	12 145	943	0.93	0.93	125.51	0.23
Dec. 31, 2016	14.33	16 112	1 124	0.99 ⁴	0.99	167.50	0.32
Dec. 31, 2015	13.13	9 278	706	1.05	1.05	153.85	0.33
Dec. 31, 2014	13.19	6 341	481	1.05	1.05	145.70	0.27
Dec. 31, 2013	13.39	4 050	302	1.09	1.09	104.36	0.18
Series O							
June 30, 2018	13.75	650 325	47 293	0.11	0.11	76.64	0.06
Dec. 31, 2017	13.03	583 841	44 818	0.11	0.11	125.51	0.23
Dec. 31, 2016	14.49	516 568	35 639	0.11	0.11	167.50	0.32
Dec. 31, 2015	13.27	394 578	29 737	0.11	0.11	153.85	0.33
Dec. 31, 2014	13.29	204 349	15 371	0.11	0.11	145.70	0.27
Dec. 31, 2013	13.44	210 466	15 665	0.11	0.11	104.36	0.18

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 – 2.03%, Advisor Series – 2.07%, Series D – 1.21% and Series F – 0.93%.



FINANCIAL HIGHLIGHTS (cont.)

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	1.75%	54%	46%
Advisor Series	1.75%	54%	46%
Series D	1.00%	23%	77%
Series F	0.75%	—	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.

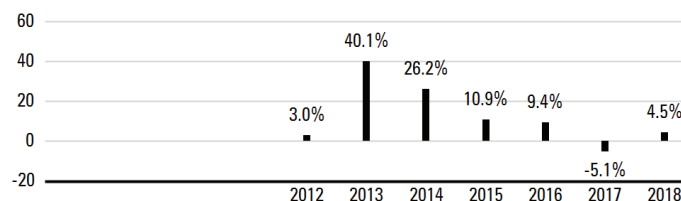
PAST PERFORMANCE

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.

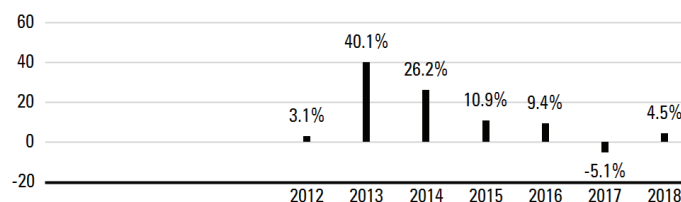
Year-by-Year Returns (%)

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.

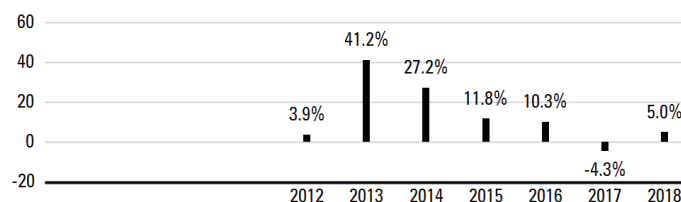
Series A (%)



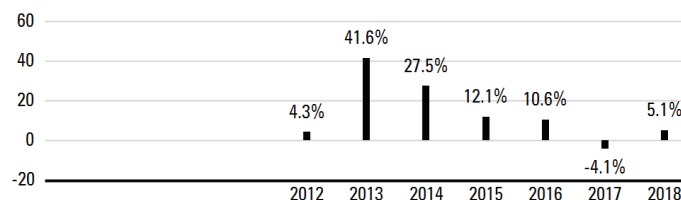
Advisor Series (%)



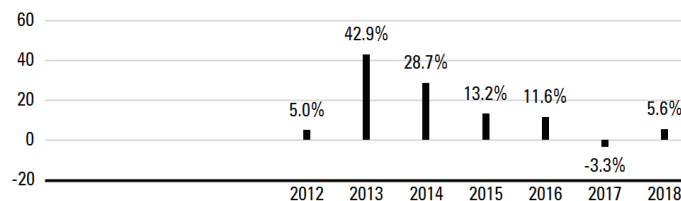
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since January 30, 2012.

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
Financials	20.4
Consumer Discretionary	14.7
Industrials	12.7
Information Technology	8.7
Real Estate	8.7
Utilities	8.7
Energy	8.3
Health Care	7.7
Materials	5.1
Consumer Staples	3.2
Cash/Other	1.8

Top 25 Holdings

	% of Net Asset Value
Jazz Pharmaceuticals Plc.	2.8
Synchrony Financial	2.5
National General Holdings Corp.	2.4
Steel Dynamics Inc.	2.3
Citizens Financial Group Inc.	2.0
Envision Healthcare Corp.	2.0
Mohawk Industries Inc.	1.8
Andeavor	1.8
Cash & Cash Equivalents	1.8
Chemical Financial Corp.	1.7
Signature Bank	1.7
Texas Capital Bancshares Inc.	1.7
Centene Corp.	1.7
Brunswick Corp.	1.7
The J.M. Smucker Company	1.6
Kennametal Inc.	1.6
Hostess Brands Inc., Class A	1.6
Vistra Energy Corp.	1.6
Popular Inc.	1.6
CMS Energy Corp.	1.6
Carlisle Cos. Inc.	1.6
Patrick Industries Inc.	1.5
Cypress Semiconductor Corp.	1.5
Oshkosh Truck Corp.	1.5
Euronet Worldwide Inc.	1.5
Top 25 Holdings	45.1

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.



U.S. EQUITY FUND

**RBC U.S. SMALL-CAP
CORE EQUITY FUND**

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (U.S.) Inc., Minneapolis, Minnesota

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. small-cap companies in order to provide broad exposure to economic growth opportunities in the equity markets.

The Fund's investment process is based primarily on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook. The portfolio manager diversifies the Fund across industries in the U.S. market and selects companies based on strong management, focused business models and the potential for future growth in earnings and cash flow.

Results of Operations

The Fund's net asset value was \$227 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 1.8%. 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.

The Fund's returns were held back during the period by stock selection, while allocations among industry sectors had little impact on performance. Poor stock selection was concentrated in the Information Technology sector as well as the economically sensitive Industrials and Consumer Discretionary sectors, as investors lost some of their appetite for stocks tied to the pace of economic growth. This investment orientation more than offset modestly favorable stock selection in the Telecommunication Services sector and contributions from underweight positions in the Real Estate and Utilities sectors.

Returns were negatively affected by exposure to Universal Electronics, a maker of television remote controls, and semiconductor manufacturer MKS Instruments. Stocks that had a positive impact on returns included Grand Canyon Education, an online college; Malibu Boats, a boat maker; and Stoneridge Inc., an auto-parts manufacturer.

Recent Developments

The Fund's underperformance has resulted mainly from investors favouring growth stocks over value stocks, fast-growing but perhaps unprofitable companies over companies with a history of earnings, and less economically sensitive companies. As a result, the Fund's performance is not in line with the fundamentals of the companies in the portfolio. The sub-advisor remains, however, confident about the portfolio and believes that the Fund offers the potential for a swift recovery should U.S. economic growth continue to accelerate.

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.

Sub-Advisor

RBC Global Asset Management (U.S.) Inc. is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.

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	Total		
Series A													
June 30, 2018	21.21	0.09	(0.21)	0.53	(0.04)	0.37	—	—	—	—	—	21.60	
Dec. 31, 2017	21.13	0.20	(0.42)	1.35	(0.69)	0.44	—	—	(0.50)	—	(0.50)	21.21	
Dec. 31, 2016	17.49	0.21	(0.37)	1.08	2.41	3.33	—	—	—	—	—	21.13	
Dec. 31, 2015	16.15	0.23	(0.38)	0.96	0.56	1.37	—	—	—	—	—	17.49	
Dec. 31, 2014	14.62	0.20	(0.33)	1.11	0.73	1.71	—	—	(0.27)	—	(0.27)	16.15	
Dec. 31, 2013	10.06	0.10	(0.29)	0.38	3.92	4.11	—	—	(0.11)	—	(0.11)	14.61	
Advisor Series													
June 30, 2018	21.24	0.09	(0.22)	0.53	(0.01)	0.39	—	—	—	—	—	21.63	
Dec. 31, 2017	21.17	0.20	(0.42)	1.35	(0.88)	0.25	—	—	(0.50)	—	(0.50)	21.24	
Dec. 31, 2016	17.51	0.21	(0.37)	1.08	2.30	3.22	—	—	—	—	—	21.17	
Dec. 31, 2015	16.16	0.23	(0.37)	0.96	0.56	1.38	—	—	—	—	—	17.51	
Dec. 31, 2014	14.63	0.20	(0.33)	1.11	0.74	1.72	—	—	(0.27)	—	(0.27)	16.16	
Dec. 31, 2013	10.08	0.09	(0.31)	0.35	3.56	3.69	—	—	(0.11)	—	(0.11)	14.62	
Series D													
June 30, 2018	22.29	0.09	(0.13)	0.56	(0.10)	0.42	—	—	—	—	—	22.79	
Dec. 31, 2017	22.03	0.20	(0.26)	1.41	(0.69)	0.66	—	—	(0.53)	—	(0.53)	22.29	
Dec. 31, 2016	18.08	0.22	(0.23)	1.12	2.74	3.85	—	—	—	—	—	22.03	
Dec. 31, 2015	16.56	0.24	(0.24)	0.99	0.58	1.57	—	—	—	—	—	18.08	
Dec. 31, 2014	14.85	0.20	(0.20)	1.13	0.75	1.88	—	—	(0.27)	—	(0.27)	16.56	
Dec. 31, 2013	10.14	0.10	(0.17)	0.38	3.93	4.24	—	—	(0.11)	—	(0.11)	14.84	
Series F													
June 30, 2018	22.59	0.10	(0.10)	0.57	(0.05)	0.52	—	—	—	—	—	23.14	
Dec. 31, 2017	22.26	0.21	(0.20)	1.42	(0.36)	1.07	—	—	(0.53)	—	(0.53)	22.59	
Dec. 31, 2016	18.23	0.22	(0.18)	1.12	1.43	2.59	—	—	—	—	—	22.26	
Dec. 31, 2015	16.67	0.24	(0.19)	1.00	0.58	1.63	—	(0.03)	—	—	(0.03)	18.23	
Dec. 31, 2014	14.92	0.20	(0.16)	1.14	0.75	1.93	—	(0.01)	(0.27)	—	(0.28)	16.67	
Dec. 31, 2013	10.16	0.09	(0.14)	0.34	3.53	3.82	—	(0.01)	(0.11)	—	(0.12)	14.91	
Series O													
June 30, 2018	22.77	0.10	(0.01)	0.57	(0.04)	0.62	—	—	—	—	—	23.41	
Dec. 31, 2017	22.39	0.21	(0.02)	1.44	(0.44)	1.19	—	(0.16)	(0.54)	—	(0.70)	22.77	
Dec. 31, 2016	18.29	0.22	(0.02)	1.14	2.79	4.13	—	(0.15)	—	—	(0.15)	22.39	
Dec. 31, 2015	16.72	0.24	(0.02)	1.00	0.59	1.81	—	(0.19)	—	—	(0.19)	18.29	
Dec. 31, 2014	14.95	0.20	(0.02)	1.15	0.76	2.09	—	(0.15)	(0.27)	—	(0.42)	16.72	
Dec. 31, 2013	10.15	0.11	(0.02)	0.44	4.52	5.05	—	(0.09)	(0.11)	—	(0.20)	14.94	

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.



FINANCIAL HIGHLIGHTS (cont.)

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	21.60	11 222	520	2.05	2.05	30.61	0.06
Dec. 31, 2017	21.21	13 495	636	2.06	2.06	32.36	0.07
Dec. 31, 2016	21.13	14 570	689	2.11 ⁴	2.11	24.45	0.04
Dec. 31, 2015	17.49	11 786	674	2.16	2.16	30.18	0.06
Dec. 31, 2014	16.15	10 148	628	2.17	2.17	36.20	0.08
Dec. 31, 2013	14.62	11 188	765	2.17	2.17	24.23	0.14
Advisor Series							
June 30, 2018	21.63	3 053	141	2.07	2.07	30.61	0.06
Dec. 31, 2017	21.24	3 739	176	2.06	2.06	32.36	0.07
Dec. 31, 2016	21.17	4 468	211	2.11 ⁴	2.11	24.45	0.04
Dec. 31, 2015	17.51	4 107	235	2.16	2.16	30.18	0.06
Dec. 31, 2014	16.16	4 513	279	2.18	2.18	36.20	0.08
Dec. 31, 2013	14.63	4 624	316	2.27	2.27	24.23	0.14
Series D							
June 30, 2018	22.79	6 473	284	1.22	1.22	30.61	0.06
Dec. 31, 2017	22.29	7 743	347	1.22	1.22	32.36	0.07
Dec. 31, 2016	22.03	7 706	350	1.27 ⁴	1.27	24.45	0.04
Dec. 31, 2015	18.08	5 499	304	1.33	1.33	30.18	0.06
Dec. 31, 2014	16.56	4 893	296	1.33	1.33	36.20	0.08
Dec. 31, 2013	14.85	6 254	421	1.29	1.29	24.23	0.14
Series F							
June 30, 2018	23.14	6 902	298	0.94	0.94	30.61	0.06
Dec. 31, 2017	22.59	12 255	542	0.93	0.93	32.36	0.07
Dec. 31, 2016	22.26	7 915	356	1.01 ⁴	1.01	24.45	0.04
Dec. 31, 2015	18.23	9 434	518	1.06	1.06	30.18	0.06
Dec. 31, 2014	16.67	7 467	448	1.07	1.07	36.20	0.08
Dec. 31, 2013	14.92	5 292	355	1.04	1.04	24.23	0.14
Series O							
June 30, 2018	23.41	198 890	8 495	0.11	0.11	30.61	0.06
Dec. 31, 2017	22.77	194 521	8 545	0.12	0.12	32.36	0.07
Dec. 31, 2016	22.39	156 995	7 012	0.11	0.11	24.45	0.04
Dec. 31, 2015	18.29	124 539	6 808	0.11	0.11	30.18	0.06
Dec. 31, 2014	16.72	116 903	6 993	0.11	0.11	36.20	0.08
Dec. 31, 2013	14.95	97 355	6 513	0.12	0.12	24.23	0.14

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 – 2.05%, Advisor Series – 2.05%, Series D – 1.21% and Series F – 0.94%.



FINANCIAL HIGHLIGHTS (cont.)

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	1.75%	54%	46%
Advisor Series	1.75%	54%	46%
Series D	1.00%	23%	77%
Series F	0.75%	—	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.

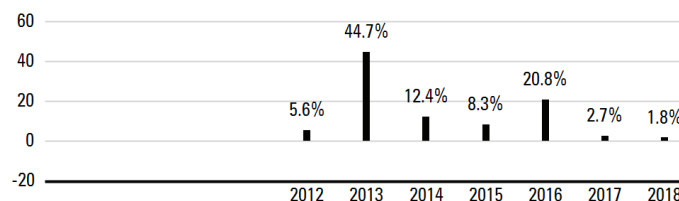
PAST PERFORMANCE

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.

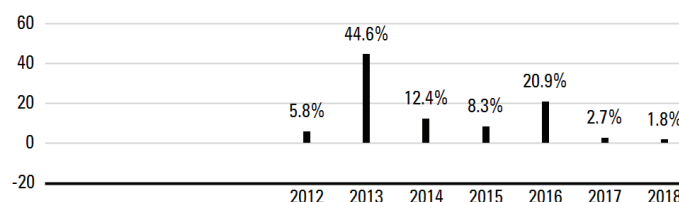
Year-by-Year Returns (%)

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.

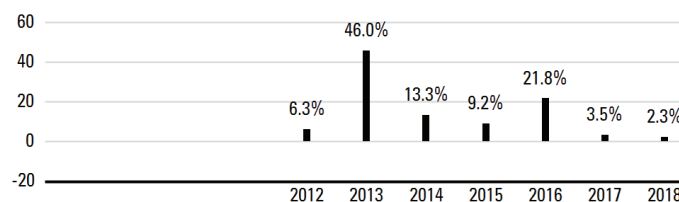
Series A (%)



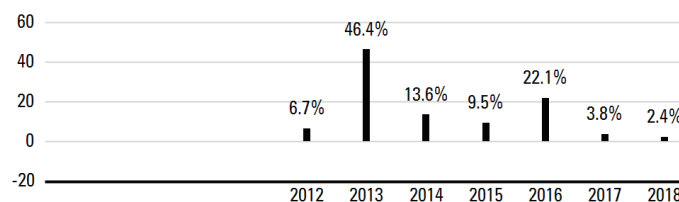
Advisor Series (%)



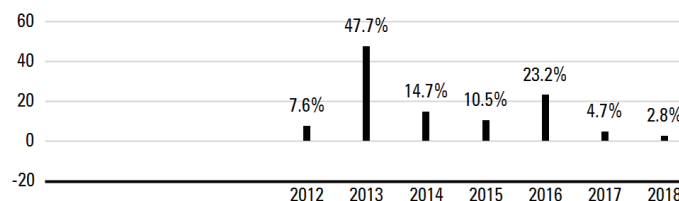
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since January 30, 2012.

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
Industrials	28.1
Consumer Discretionary	22.0
Financials	18.1
Information Technology	10.3
Health Care	8.8
Materials	5.5
Energy	3.4
Telecommunication Services	1.2
Utilities	0.8
Real Estate	0.5
Consumer Staples	0.4
Cash/Other	0.9

Top 25 Holdings

	% of Net Asset Value
Columbus McKinnon Corp.	4.6
Patrick Industries Inc.	4.4
Compass Diversified Holdings	4.0
ACCO Brands Corp.	3.3
Grand Canyon Education Inc.	3.2
MKS Instruments Inc.	3.1
The Greenbrier Co. Inc.	2.8
Emergent Biosolutions Inc.	2.7
Gray Television Inc.	2.4
LCI Industries	2.3
Chemical Financial Corp.	2.3
InterDigital Inc.	2.2
Globus Medical Inc., Class A	2.2
Wintrust Financial Corp.	2.1
Nexstar Media Group Inc.	2.1
Amerisafe Inc.	2.0
Pacific Premier Bancorp Inc.	2.0
United Community Banks Inc.	1.9
NN Inc.	1.9
Zagg Inc.	1.9
Texas Capital Bancshares Inc.	1.9
Astronics Corp.	1.8
Ring Energy Inc.	1.8
Malibu Boats Inc.	1.7
Stoneridge Inc.	1.6
Top 25 Holdings	62.2

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.



U.S. EQUITY FUND

**RBC U.S. SMALL-CAP
VALUE EQUITY FUND**

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (U.S.) Inc., Minneapolis, Minnesota

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. small-cap companies that are deemed to be undervalued in order to provide broad exposure to economic growth opportunities in the equity markets.

The Fund's investment process is based primarily on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook. The portfolio manager diversifies the Fund across industries in the U.S. market and selects companies based on strong management, focused business models and the potential for future growth in earnings and cash flow.

Results of Operations

The Fund's net asset value was \$71 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 4.2%. 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.

The Fund's returns were held back by stock selection while allocations among sectors had a modestly negative impact on returns. Poor stock selection was concentrated in the economically sensitive Consumer Discretionary and Industrials sectors as investors lost some of their appetite for stocks tied to the pace of economic growth. This investment orientation more than offset favourable stock selection in the Information Technology and Real Estate sectors and contributions from underweight positions in the Energy and Consumer Staples sectors.

Individual stocks that had a negative impact on returns included Callon Petroleum, an oil-exploration and production company, and Universal Electronics, a maker of television remote controls. Holdings that had a positive impact on performance included oil refiner Delek US Holdings and PC Connection, an online retailer of computer products and services.

Recent Developments

The Fund's underperformance has resulted mainly from investors favouring growth stocks over value stocks, fast-growing but perhaps unprofitable companies over companies with a history of earnings, and less economically sensitive companies. As a result, the Fund's performance is not in line with the fundamentals of the companies in the portfolio. The sub-advisor remains, however, confident about the portfolio and believes that the Fund offers the potential for a swift recovery should U.S. economic growth continue to accelerate.

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.

Sub-Advisor

RBC Global Asset Management (U.S.) Inc. is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.

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	Total		
Series A													
June 30, 2018	13.37	0.10	(0.13)	0.36	0.22	0.55	—	—	—	—	—	13.93	
Dec. 31, 2017	12.95	0.19	(0.26)	0.69	(0.30)	0.32	—	—	—	—	—	13.37	
Dec. 31, 2016	10.45	0.20	(0.23)	0.11	3.10	3.18	—	—	(0.11)	—	(0.11)	12.95	
Dec. 31, 2015 ³	10.00 [†]	0.19	(0.07)	0.28	0.97	1.37	—	—	(0.10)	—	(0.10)	10.45	
Advisor Series													
June 30, 2018	13.40	0.10	(0.13)	0.36	(0.71)	(0.38)	—	—	—	—	—	13.96	
Dec. 31, 2017	12.97	0.19	(0.25)	0.69	(0.89)	(0.26)	—	—	—	—	—	13.40	
Dec. 31, 2016	10.46	0.18	(0.28)	0.10	3.04	3.04	—	—	(0.11)	—	(0.11)	12.97	
Dec. 31, 2015 ³	10.00 [†]	0.31	(0.06)	0.47	1.63	2.35	—	—	(0.10)	—	(0.10)	10.46	
Series D													
June 30, 2018	13.60	0.10	(0.08)	0.37	0.07	0.46	—	—	—	—	—	14.22	
Dec. 31, 2017	13.08	0.19	(0.15)	0.70	(0.88)	(0.14)	—	(0.02)	—	—	(0.02)	13.60	
Dec. 31, 2016	10.47	0.19	(0.15)	0.11	3.91	4.06	—	(0.02)	(0.10)	—	(0.12)	13.08	
Dec. 31, 2015 ³	10.00 [†]	0.14	(0.04)	0.20	0.71	1.01	—	—	(0.10)	—	(0.10)	10.47	
Series F													
June 30, 2018	13.61	0.10	(0.06)	0.37	0.33	0.74	—	—	—	—	—	14.25	
Dec. 31, 2017	13.09	0.19	(0.12)	0.69	—	0.76	—	(0.06)	—	—	(0.06)	13.61	
Dec. 31, 2016	10.49	0.19	(0.12)	0.11	3.68	3.86	—	(0.05)	(0.11)	—	(0.16)	13.09	
Dec. 31, 2015 ³	10.00 [†]	0.11	(0.04)	0.16	0.56	0.79	—	—	(0.10)	—	(0.10)	10.49	
Series O													
June 30, 2018	13.61	0.10	—	0.37	0.25	0.72	—	—	—	—	—	14.32	
Dec. 31, 2017	13.08	0.19	—	0.70	(0.17)	0.72	—	(0.17)	—	—	(0.17)	13.61	
Dec. 31, 2016	10.48	0.20	—	0.11	2.77	3.08	—	(0.17)	(0.11)	—	(0.28)	13.08	
Dec. 31, 2015 ³	10.00 [†]	0.08	—	0.11	0.39	0.58	—	(0.03)	(0.10)	—	(0.13)	10.48	

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 September 1, 2015.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	13.93	1 980	142	2.04	2.04	29.90	0.09
Dec. 31, 2017	13.37	2 042	153	2.04	2.04	31.70	0.07
Dec. 31, 2016	12.95	1 655	128	2.04 ⁴	2.04	27.54	0.11
Dec. 31, 2015 ⁵	10.45	229	22	2.20	2.21	10.83	0.22
Advisor Series							
June 30, 2018	13.96	23	2	2.04	2.04	29.90	0.09
Dec. 31, 2017	13.40	171	13	1.93	1.93	31.70	0.07
Dec. 31, 2016	12.97	527	41	2.19 ⁴	2.19	27.54	0.11
Dec. 31, 2015 ⁵	10.46	1	—	2.20	2.21	10.83	0.22
Series D							
June 30, 2018	14.22	859	60	1.21	1.21	29.90	0.09
Dec. 31, 2017	13.60	1 066	78	1.18	1.18	31.70	0.07
Dec. 31, 2016	13.08	3 772	288	1.24 ⁴	1.24	27.54	0.11
Dec. 31, 2015 ⁵	10.47	119	11	1.36	1.36	10.83	0.22
Series F							
June 30, 2018	14.25	1 654	116	0.94	0.94	29.90	0.09
Dec. 31, 2017	13.61	1 679	123	0.94	0.94	31.70	0.07
Dec. 31, 2016	13.09	892	68	0.96 ⁴	0.96	27.54	0.11
Dec. 31, 2015 ⁵	10.49	27	3	1.07	1.08	10.83	0.22
Series O							
June 30, 2018	14.32	66 366	4 636	0.02	0.02	29.90	0.09
Dec. 31, 2017	13.61	68 155	5 009	0.02	0.02	31.70	0.07
Dec. 31, 2016	13.08	63 754	4 875	0.03	0.03	27.54	0.11
Dec. 31, 2015 ⁵	10.48	39 561	3 775	0.02	0.03	10.83	0.22

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 – 2.00%, Advisor Series – 1.94%, Series D – 1.18% and Series F – 0.89%.

⁵ From September 1, 2015.

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	1.75%	57%	43%
Advisor Series	1.75%	57%	43%
Series D	1.00%	25%	75%
Series F	0.75%	—	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 F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since September 14, 2015.

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
Financials	26.9
Industrials	18.4
Consumer Discretionary	10.9
Information Technology	9.1
Real Estate	8.5
Materials	6.2
Health Care	5.7
Utilities	4.9
Energy	4.7
Consumer Staples	2.9
Cash/Other	1.8

Top 25 Holdings

	% of Net Asset Value
Compass Diversified Holdings	2.7
Columbus McKinnon Corp.	2.3
Chemical Financial Corp.	2.3
Spire Inc.	2.2
PC Connection Inc.	2.2
Synovus Financial Corp.	2.1
United Community Banks Inc.	2.1
Portland General Electric Co.	1.9
Omnova Solutions Inc.	1.9
Texas Capital Bancshares Inc.	1.8
Gray Television Inc.	1.8
Cash & Cash Equivalents	1.8
ACCO Brands Corp.	1.8
Reliance Steel & Aluminum Co.	1.7
Pacific Premier Bancorp Inc.	1.7
Delek US Holdings Inc.	1.7
Heritage Financial Corp.	1.7
Novanta Inc.	1.6
Steven Madden Ltd.	1.6
Kaiser Aluminum Corp.	1.6
EnerSys	1.6
The Greenbrier Co. Inc.	1.6
Patrick Industries Inc.	1.5
First Busey Corp.	1.5
Invacare Corp.	1.5
Top 25 Holdings	46.2

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.



U.S. EQUITY FUND

**RBC O'SHAUGHNESSY
U.S. GROWTH FUND**

June 30, 2018

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

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

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 based on Strategy Indexing®, an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

To achieve its objective, the Fund selects securities on the basis of several factors including valuation, momentum and return of capital to shareholders. Valuation is based on a variety of measures, including a company's market capitalization ratios and financial statement metrics. The Fund also selects securities based on momentum which may include six-month total return and nine-month total return. Return of capital to shareholders may include dividends and buybacks. The Fund uses currency hedges to minimize the impact of fluctuations in the U.S. dollar versus the Canadian dollar.

Results of Operations

The Fund's net asset value was \$127 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 13.8%. 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.

The S&P 500 Index outperformed other developed markets during the period, with equities in Europe and Japan declining in local-currency terms but positive when adjusted for a decline in the Canadian dollar. Canadian equities were up slightly. Commodity prices, including oil, appreciated during the period.

Overweight exposure to smaller stocks was the largest contributor to returns during the period. An overweight exposure to momentum also aided performance. Conversely, overweight exposure to value and yield held back relative returns. Stocks categorized as having quality characteristics aided overall returns.

Allocation among sectors was neutral for performance, while security selection aided returns. An underweight position in the Real Estate sector added the most to relative returns, while an underweight position in the Health Care sector hurt performance. Stock selection in the Consumer Discretionary and Consumer Staples sectors contributed to performance but was a negative for Health Care. Medifast, Blucora and Inogen contributed the most to the Fund's returns, while Sanderson Farms, Progress Software and Alamo Group held back performance.

It is the policy of the Fund to maintain currency hedges at all times in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. This policy had a negative effect on returns during the period.

The Fund decreased allocations to the Financials sector during the period and increased allocations to the Health Care sector.

Recent Developments

In January 2018, Patrick O'Shaughnessy was promoted to chief executive officer of O'Shaughnessy Asset Management, the sub-advisor of the Fund. Patrick O'Shaughnessy directs the firm's initiatives in research and portfolio management, investor education and client relationships. He reports to Jim O'Shaughnessy, the firm's chairman and chief investment officer.

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.

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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 \$0 (2017 – \$7,000) or 0% (2017 – 9%) 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	Total	
Series A												
June 30, 2018	17.09	0.07	(0.14)	1.17	1.24	2.34	—	—	—	—	—	19.46
Dec. 31, 2017	15.53	0.14	(0.25)	2.98	(1.36)	1.51	—	—	—	—	—	17.09
Dec. 31, 2016	13.29	0.18	(0.21)	0.01	2.09	2.07	—	—	—	—	—	15.53
Dec. 31, 2015	13.84	0.23	(0.22)	0.44	(0.95)	(0.50)	—	—	—	—	—	13.29
Dec. 31, 2014	14.51	0.18	(0.21)	1.44	(2.12)	(0.71)	—	—	—	—	—	13.84
Dec. 31, 2013	10.06	0.18	(0.19)	2.53	1.91	4.43	—	—	—	—	—	14.50
Series D												
June 30, 2018	17.69	0.07	(0.11)	1.21	1.25	2.42	—	—	—	—	—	20.16
Dec. 31, 2017	16.02	0.15	(0.20)	3.08	(1.38)	1.65	—	—	—	—	—	17.69
Dec. 31, 2016	13.66	0.19	(0.17)	0.01	2.25	2.28	—	—	—	—	—	16.02
Dec. 31, 2015	14.18	0.23	(0.17)	0.45	(0.98)	(0.47)	—	—	—	—	—	13.66
Dec. 31, 2014	14.82	0.18	(0.17)	1.47	(2.17)	(0.69)	—	—	—	—	—	14.18
Dec. 31, 2013	10.24	0.18	(0.15)	2.58	1.95	4.56	—	—	—	—	—	14.80
Series F												
June 30, 2018	19.02	0.07	(0.09)	1.30	1.50	2.78	—	—	—	—	—	21.71
Dec. 31, 2017	17.18	0.16	(0.17)	3.29	(1.72)	1.56	—	—	—	—	—	19.02
Dec. 31, 2016	14.61	0.20	(0.14)	0.01	2.36	2.43	—	—	—	—	—	17.18
Dec. 31, 2015	15.12	0.25	(0.14)	0.48	(1.05)	(0.46)	—	—	—	—	—	14.61
Dec. 31, 2014	15.75	0.19	(0.14)	1.57	(2.31)	(0.69)	—	—	—	—	—	15.12
Dec. 31, 2013	10.85	0.19	(0.12)	2.74	2.06	4.87	—	—	—	—	—	15.74
Series O												
June 30, 2018	20.02	0.08	—	1.39	4.70	6.17	—	—	—	—	—	22.96
Dec. 31, 2017	17.91	0.16	—	3.46	(4.23)	(0.61)	—	—	—	—	—	20.02
Dec. 31, 2016	15.10	0.21	—	0.01	5.96	6.18	—	—	—	—	—	17.91
Dec. 31, 2015	15.48	0.26	—	0.49	(1.08)	(0.33)	—	—	—	—	—	15.10
Dec. 31, 2014	15.98	0.19	—	1.61	(2.36)	(0.56)	—	—	—	—	—	15.48
Dec. 31, 2013	10.91	0.19	—	2.77	2.08	5.04	—	—	—	—	—	15.96

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.



FINANCIAL HIGHLIGHTS (cont.)

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	19.46	107 091	5 504	1.54	1.54	96.74	0.10
Dec. 31, 2017	17.09	102 626	6 004	1.54	1.54	101.78	0.12
Dec. 31, 2016	15.53	112 224	7 226	1.55	1.55	80.39	0.13
Dec. 31, 2015	13.29	114 897	8 644	1.55	1.55	101.16	0.17
Dec. 31, 2014	13.84	142 978	10 329	1.54	1.54	101.45	0.17
Dec. 31, 2013	14.51	174 322	12 015	1.55	1.55	103.96	0.17
Series D							
June 30, 2018	20.16	10 171	504	1.21	1.21	96.74	0.10
Dec. 31, 2017	17.69	8 366	473	1.21	1.21	101.78	0.12
Dec. 31, 2016	16.02	7 768	485	1.21	1.21	80.39	0.13
Dec. 31, 2015	13.66	6 817	499	1.21	1.21	101.16	0.17
Dec. 31, 2014	14.18	8 142	574	1.22	1.22	101.45	0.17
Dec. 31, 2013	14.82	9 979	674	1.23	1.23	103.96	0.17
Series F							
June 30, 2018	21.71	9 670	445	0.93	0.93	96.74	0.10
Dec. 31, 2017	19.02	6 699	352	0.94	0.94	101.78	0.12
Dec. 31, 2016	17.18	7 573	441	0.94	0.94	80.39	0.13
Dec. 31, 2015	14.61	6 713	459	0.92	0.92	101.16	0.17
Dec. 31, 2014	15.12	4 135	273	0.92	0.92	101.45	0.17
Dec. 31, 2013	15.75	4 821	306	0.93	0.93	103.96	0.17
Series O							
June 30, 2018	22.96	11	—	0.02	0.02	96.74	0.10
Dec. 31, 2017	20.02	1	—	0.02	0.02	101.78	0.12
Dec. 31, 2016	17.91	5	—	0.02	0.02	80.39	0.13
Dec. 31, 2015	15.10	1	—	0.02	0.02	101.16	0.17
Dec. 31, 2014	15.48	1	—	0.02	0.02	101.45	0.17
Dec. 31, 2013	15.98	1	—	0.02	0.02	103.96	0.17

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.

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	1.25%	52%	48%
Series D	1.00%	25%	75%
Series F	0.75%	—	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.

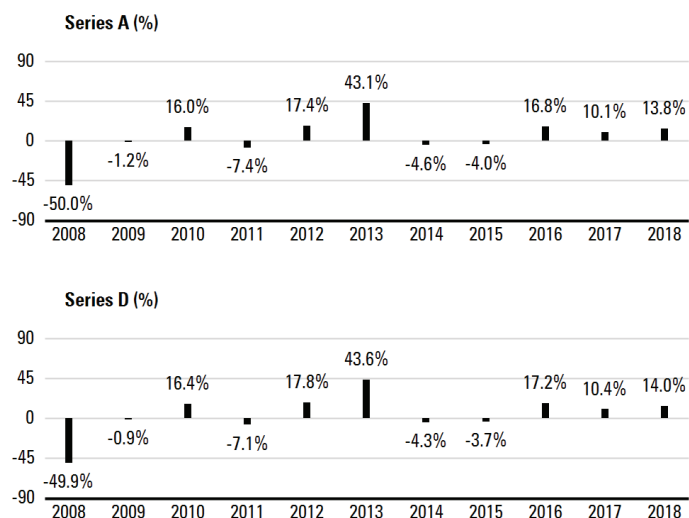


PAST PERFORMANCE

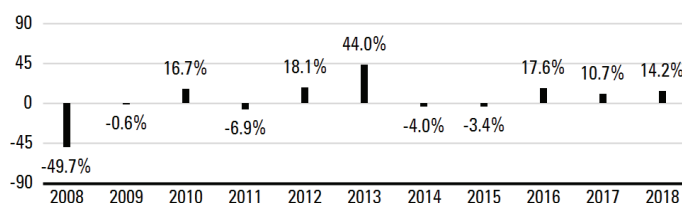
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Year-by-Year Returns (%)

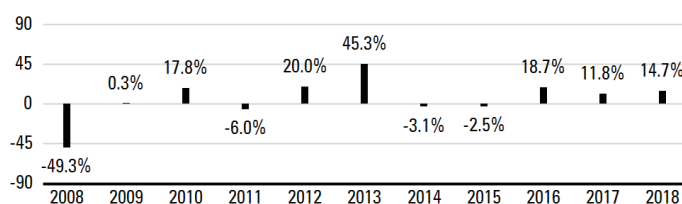
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series F (%)



Series O (%)



Series O units have been available for sale to unitholders since January 1, 2008.

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	25.4
Health Care	22.7
Industrials	16.7
Consumer Discretionary	16.3
Consumer Staples	5.0
Financials	4.9
Materials	4.0
Energy	2.5
Telecommunication Services	1.5
Real Estate	1.4
Cash/Other	(0.4)

Top 25 Holdings

	% of Net Asset Value
Enanta Pharmaceuticals Inc.	2.8
Medifast Inc.	2.5
Cabot Microelectronics Corp.	2.0
TechTarget Inc.	1.9
Haemonetics Corporation	1.7
Blucora Inc.	1.7
Penn National Gaming Inc.	1.7
Inogen Inc.	1.6
Bottomline Technologies Inc.	1.6
CONMED Corp.	1.5
Aspen Technology Inc.	1.4
Progress Software Corp.	1.4
New York Times Co.	1.4
Ligand Pharmaceuticals Inc.	1.2
Alamo Group Inc.	1.2
BJ's Restaurants Inc.	1.2
Boston Beer Co. Inc., Class A	1.1
Boise Cascade Co.	1.1
CVR Energy Inc.	1.1
FirstCash Inc.	1.1
Vonage Holdings Corp.	1.1
Stamps.com Inc.	1.1
Appfolio Inc., Class A	1.1
Chemed Corp.	1.1
Etsy Inc.	1.0
Top 25 Holdings	36.6

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.



U.S. EQUITY FUND

**RBC O'SHAUGHNESSY
U.S. GROWTH FUND II**

June 30, 2018

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

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

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 based on Strategy Indexing®, an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

To achieve its objective, the Fund selects securities on the basis of several factors including valuation, momentum and return of capital to shareholders. Valuation is based on a variety of measures, including a company's market capitalization ratios and financial statement metrics. The Fund also selects securities based on momentum which may include six-month total return and nine-month total return. Return of capital to shareholders may include dividends and buybacks. The Fund uses currency hedges to minimize the impact of fluctuations in the U.S. dollar versus the Canadian dollar.

Results of Operations

The Fund's net asset value was \$39 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 9.2%. 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.

The S&P 500 Index outperformed other developed markets during the period, with equities in Europe and Japan declining in local-currency terms but positive when adjusted for a decline in the Canadian dollar. Canadian equities were up slightly. Commodity prices, including oil, appreciated during the period.

Overweight exposure to momentum was the largest contributor to returns during the period. Exposure to financial strength, earnings growth and earnings quality also aided returns. Conversely, overweight exposure to value held back relative performance.

Sector allocation and security selection both aided returns. An underweight position in the Real Estate sector aided returns, while an overweight position in Consumer Discretionary held back performance. Security selection in the Consumer Staples and Energy sectors were large positives, offset in part by poor stock selection in Industrials and Information Technology. Medifast, Blucora and Chemed were the top contributors to portfolio performance. Sanderson Farms, Progress Software and Thor Industries negatively affected performance.

It is the policy of the Fund to maintain currency hedges at all times in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. This policy had a negative effect on returns during the period.

The Fund decreased allocations to the Financials sector during the period and increased allocations to the Health Care sector.

Recent Developments

In January 2018, Patrick O'Shaughnessy was promoted to chief executive officer of O'Shaughnessy Asset Management, the sub-advisor of the Fund. Patrick O'Shaughnessy directs the firm's initiatives in research and portfolio management, investor education and client relationships. He reports to Jim O'Shaughnessy, the firm's chairman and chief investment officer.

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.

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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 \$0 (2017 – \$2,000) or 0% (2017 – 10%) 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	Total	
Series A												
June 30, 2018	9.96	0.05	(0.11)	0.70	0.27	0.91	—	—	—	—	—	10.88
Dec. 31, 2017	10.11	0.10	(0.23)	1.60	(0.29)	1.18	—	—	(1.36)	—	(1.36)	9.96
Dec. 31, 2016	9.00	0.15	(0.20)	0.60	0.47	1.02	—	—	—	—	—	10.11
Dec. 31, 2015	9.11	0.23	(0.21)	0.29	(0.28)	0.03	—	—	(0.09)	—	(0.09)	9.00
Dec. 31, 2014	9.17	0.13	(0.20)	1.18	(1.19)	(0.08)	—	—	—	—	—	9.11
Dec. 31, 2013	6.48	0.11	(0.17)	1.41	1.34	2.69	—	—	—	—	—	9.17
Advisor Series												
June 30, 2018	10.04	0.05	(0.11)	0.70	0.21	0.85	—	—	—	—	—	10.96
Dec. 31, 2017	10.18	0.10	(0.23)	1.61	(0.28)	1.20	—	—	(1.36)	—	(1.36)	10.04
Dec. 31, 2016	9.05	0.15	(0.20)	0.60	0.48	1.03	—	—	—	—	—	10.18
Dec. 31, 2015	9.17	0.23	(0.21)	0.29	(0.28)	0.03	—	—	(0.09)	—	(0.09)	9.05
Dec. 31, 2014	9.23	0.13	(0.20)	1.18	(1.20)	(0.09)	—	—	—	—	—	9.17
Dec. 31, 2013	6.51	0.11	(0.17)	1.42	1.34	2.70	—	—	—	—	—	9.22
Series D												
June 30, 2018	10.87	0.05	(0.07)	0.76	0.31	1.05	—	—	—	—	—	11.92
Dec. 31, 2017	10.93	0.11	(0.15)	1.74	(0.30)	1.40	—	—	(1.48)	—	(1.48)	10.87
Dec. 31, 2016	9.64	0.16	(0.13)	0.65	0.55	1.23	—	—	—	—	—	10.93
Dec. 31, 2015	9.68	0.24	(0.13)	0.31	(0.30)	0.12	—	—	(0.09)	—	(0.09)	9.64
Dec. 31, 2014	9.65	0.13	(0.13)	1.24	(1.25)	(0.01)	—	—	—	—	—	9.68
Dec. 31, 2013	6.76	0.11	(0.11)	1.48	1.40	2.88	—	—	—	—	—	9.65
Series F												
June 30, 2018	11.17	0.05	(0.06)	0.79	0.34	1.12	—	—	—	—	—	12.27
Dec. 31, 2017	11.20	0.11	(0.12)	1.78	(0.44)	1.33	—	—	(1.52)	—	(1.52)	11.17
Dec. 31, 2016	9.85	0.17	(0.10)	0.66	0.66	1.39	—	—	—	—	—	11.20
Dec. 31, 2015	9.87	0.25	(0.11)	0.32	(0.31)	0.15	—	—	(0.10)	—	(0.10)	9.85
Dec. 31, 2014	9.81	0.14	(0.10)	1.26	(1.28)	0.02	—	—	—	—	—	9.87
Dec. 31, 2013	6.85	0.11	(0.09)	1.50	1.42	2.94	—	—	—	—	—	9.81

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.



FINANCIAL HIGHLIGHTS (cont.)

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	10.88	29 968	2 755	2.21	2.21	81.96	0.07
Dec. 31, 2017	9.96	30 425	3 055	2.21	2.22	94.13	0.09
Dec. 31, 2016	10.11	32 273	3 192	2.21	2.22	83.55	0.08
Dec. 31, 2015	9.00	35 165	3 908	2.21	2.22	79.29	0.09
Dec. 31, 2014	9.11	43 478	4 771	2.22	2.22	91.94	0.11
Dec. 31, 2013	9.17	51 596	5 625	2.22	2.22	99.20	0.11
Advisor Series							
June 30, 2018	10.96	929	85	2.14	2.14	81.96	0.07
Dec. 31, 2017	10.04	942	94	2.17	2.18	94.13	0.09
Dec. 31, 2016	10.18	876	86	2.18	2.19	83.55	0.08
Dec. 31, 2015	9.05	832	92	2.19	2.20	79.29	0.09
Dec. 31, 2014	9.17	1 337	146	2.20	2.20	91.94	0.11
Dec. 31, 2013	9.23	1 667	181	2.20	2.20	99.20	0.11
Series D							
June 30, 2018	11.92	3 670	308	1.32	1.32	81.96	0.07
Dec. 31, 2017	10.87	3 631	334	1.32	1.33	94.13	0.09
Dec. 31, 2016	10.93	2 869	262	1.31	1.32	83.55	0.08
Dec. 31, 2015	9.64	2 560	266	1.32	1.33	79.29	0.09
Dec. 31, 2014	9.68	3 320	343	1.32	1.32	91.94	0.11
Dec. 31, 2013	9.65	4 500	466	1.33	1.33	99.20	0.11
Series F							
June 30, 2018	12.27	4 241	346	1.04	1.04	81.96	0.07
Dec. 31, 2017	11.17	2 665	239	1.02	1.03	94.13	0.09
Dec. 31, 2016	11.20	2 873	256	1.02	1.03	83.55	0.08
Dec. 31, 2015	9.85	2 145	218	1.04	1.04	79.29	0.09
Dec. 31, 2014	9.87	2 365	240	1.04	1.04	91.94	0.11
Dec. 31, 2013	9.81	3 255	332	1.07	1.07	99.20	0.11

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.

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	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	—	100%

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

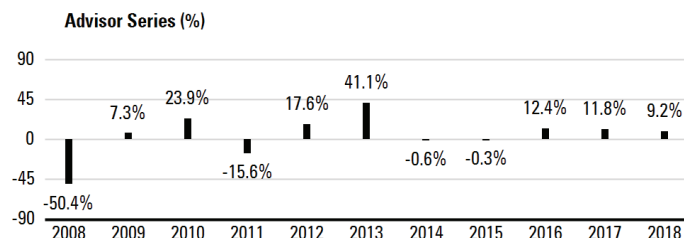
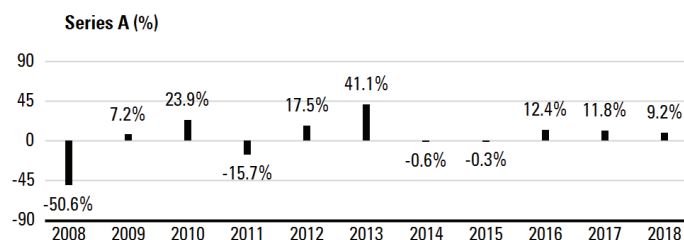


PAST PERFORMANCE

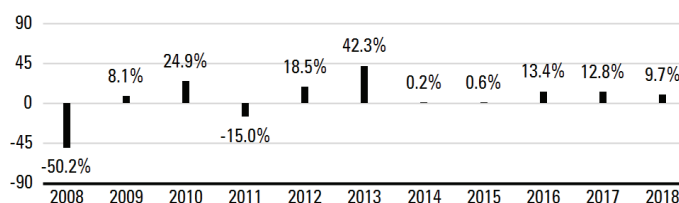
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

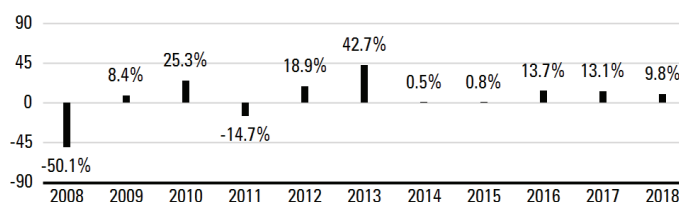
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series D (%)



Series F (%)



Series A, Advisor Series, Series D and Series F units have been available for sale to unitholders since January 14, 2008.

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	26.4
Consumer Discretionary	17.7
Industrials	17.1
Health Care	16.9
Financials	6.9
Materials	6.3
Consumer Staples	4.0
Energy	3.2
Real Estate	1.2
Telecommunication Services	0.8
Cash/Other	(0.5)

Top 25 Holdings

	% of Net Asset Value
Medifast Inc.	2.6
Cadence Design Systems Inc.	2.0
Chemed Corp.	2.0
Broadridge Financial Solutions Inc.	1.9
Progress Software Corp.	1.9
Haemonetics Corporation	1.8
VMware Inc.	1.8
Westlake Chemical Corporation	1.7
New York Times Co.	1.5
TriNet Group Inc.	1.4
Blucora Inc.	1.4
TechTarget Inc.	1.4
Graco Inc.	1.4
Verisign Inc.	1.3
Enanta Pharmaceuticals Inc.	1.3
Houlihan Lokey Inc., Class A	1.2
NVR Inc.	1.2
Kohl's Corp.	1.2
Varian Medical Systems Inc.	1.1
ON Semiconductor Corporation	1.1
CONMED Corp.	1.1
Burlington Stores Inc.	1.0
Ansys Inc.	1.0
Werner Enterprises Inc.	1.0
ASGN Inc.	1.0
Top 25 Holdings	36.3

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.



U.S. EQUITY FUND

RBC LIFE SCIENCE AND TECHNOLOGY 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 deliver long-term capital growth by investing primarily in equity securities of U.S. companies whose businesses relate to life sciences and technology and are expected to benefit from scientific and technological advances.

The Fund invests in companies with strong management, focused business models and a competitive advantage.

Results of Operations

The Fund's net asset value was \$321 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 11.8%. 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.

The Information Technology sector was among the best-performing global sectors in the first half of 2018. Demand for semiconductors continued to strengthen amid auto and industrial trends as well as accelerating demand from data centres. Facebook rebounded from declines in March and April as investors appeared to shake off the potential impact of accusations that the company improperly disclosed user data. Overall, the Information Technology sector is benefiting from a strong appetite for takeovers and global demand for its products.

Security selection and asset weighting were both positive for the Fund during the period.

Health Care stocks performed roughly in line with the broader market during the period. The Fund's allocations to managed-care companies had a significant impact on performance. Returns benefited from exposure to Humana, and from a lack of relative exposure to Aetna and Cigna. An overweight position in Intuitive Surgical boosted returns. Intuitive Surgical develops, manufactures and markets robotic technologies to enhance surgical procedures.

In the Information Technology sector, a position in Shopify aided relative returns. The company has had much success since its initial public offering in 2015 and continues to expand its reach among small- and medium-sized merchants. The Fund's overweight position in Mylan held back returns, as generic pricing trends remained a headwind and the company faced drug-approval delays.

Recent Developments

Equities fluctuated significantly during the first half of the year as rapid corporate-profit growth was offset by contracting price-to-earnings ratios. Expanding valuations have been a significant source of gains for stocks during this long bull market, but sustained earnings growth will be critical to drive stocks higher from here. Earnings have indeed been growing rapidly, helped in part by the U.S. tax cuts. The positive trend in earnings is expected to persist, and the portfolio manager's research suggests a reasonable outcome is for stocks to deliver positive returns this year and next. The portfolio manager acknowledges, however, that any deterioration in the outlook for earnings would leave markets vulnerable to correction given currently demanding valuations.

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.

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	Total		
Series A													
June 30, 2018	17.06	0.12	(0.19)	0.16	1.90	1.99	—	—	—	—	—	19.08	
Dec. 31, 2017	13.98	0.24	(0.33)	0.11	3.06	3.08	—	—	—	—	—	17.06	
Dec. 31, 2016	14.10	0.14	(0.28)	0.65	(0.75)	(0.24)	—	—	—	—	—	13.98	
Dec. 31, 2015	11.57	0.10	(0.30)	1.95	0.55	2.30	—	—	—	—	—	14.10	
Dec. 31, 2014	9.12	0.14	(0.22)	2.53	(0.11)	2.34	—	—	—	—	—	11.57	
Dec. 31, 2013	6.11	0.06	(0.16)	2.19	0.91	3.00	—	—	—	—	—	9.12	
Series D													
June 30, 2018	18.87	0.13	(0.12)	0.17	2.04	2.22	—	—	—	—	—	21.19	
Dec. 31, 2017	15.32	0.26	(0.21)	0.12	3.14	3.31	—	—	—	—	—	18.87	
Dec. 31, 2016	15.31	0.15	(0.17)	0.70	(1.09)	(0.41)	—	—	—	—	—	15.32	
Dec. 31, 2015	12.44	0.11	(0.18)	2.09	0.59	2.61	—	—	—	—	—	15.31	
Dec. 31, 2014	9.71	0.15	(0.13)	2.70	(0.11)	2.61	—	—	—	—	—	12.44	
Dec. 31, 2013	6.44	0.07	(0.10)	2.33	0.96	3.26	—	—	—	—	—	9.71	
Series F													
June 30, 2018	21.35	0.15	(0.11)	0.20	2.25	2.49	—	—	—	—	—	24.00	
Dec. 31, 2017	17.29	0.30	(0.19)	0.14	3.33	3.58	—	—	—	—	—	21.35	
Dec. 31, 2016	17.23	0.17	(0.16)	0.80	(0.90)	(0.09)	—	—	—	—	—	17.29	
Dec. 31, 2015	13.97	0.12	(0.15)	2.37	0.67	3.01	—	—	—	—	—	17.23	
Dec. 31, 2014	10.87	0.16	(0.12)	2.99	(0.12)	2.91	—	—	—	—	—	13.97	
Dec. 31, 2013	7.20	0.07	(0.09)	2.61	1.08	3.67	—	—	—	—	—	10.87	

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.



FINANCIAL HIGHLIGHTS (cont.)

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	19.08	194 692	10 206	2.09	2.09	11.88	0.01
Dec. 31, 2017	17.06	165 785	9 716	2.09	2.09	10.33	0.01
Dec. 31, 2016	13.98	139 183	9 958	2.15 ⁴	2.15	305.23	0.11
Dec. 31, 2015	14.10	161 853	11 483	2.20	2.20	452.41	0.18
Dec. 31, 2014	11.57	122 288	10 568	2.20	2.20	496.45	0.27
Dec. 31, 2013	9.12	98 870	10 839	2.21	2.21	261.52	0.24
Series D							
June 30, 2018	21.19	98 389	4 644	1.21	1.21	11.88	0.01
Dec. 31, 2017	18.87	70 557	3 740	1.21	1.21	10.33	0.01
Dec. 31, 2016	15.32	44 536	2 907	1.21	1.21	305.23	0.11
Dec. 31, 2015	15.31	62 623	4 091	1.21	1.21	452.41	0.18
Dec. 31, 2014	12.44	27 704	2 226	1.20	1.20	496.45	0.27
Dec. 31, 2013	9.71	8 930	919	1.21	1.21	261.52	0.24
Series F							
June 30, 2018	24.00	27 521	1 147	0.93	0.93	11.88	0.01
Dec. 31, 2017	21.35	16 665	781	0.94	0.94	10.33	0.01
Dec. 31, 2016	17.29	5 333	309	0.95	0.95	305.23	0.11
Dec. 31, 2015	17.23	3 318	193	0.95	0.95	452.41	0.18
Dec. 31, 2014	13.97	2 516	180	0.97	0.97	496.45	0.27
Dec. 31, 2013	10.87	242	22	0.96	0.96	261.52	0.24

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 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 – 2.09%.

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	1.75%	62%	38%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%

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

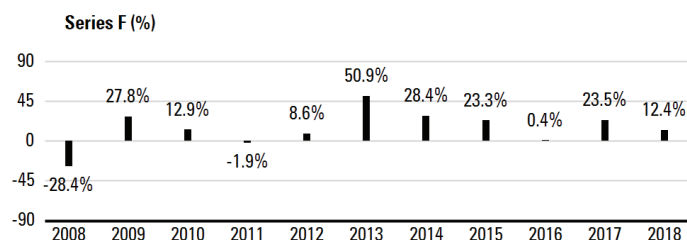
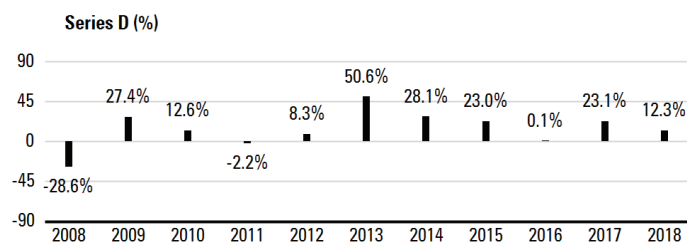
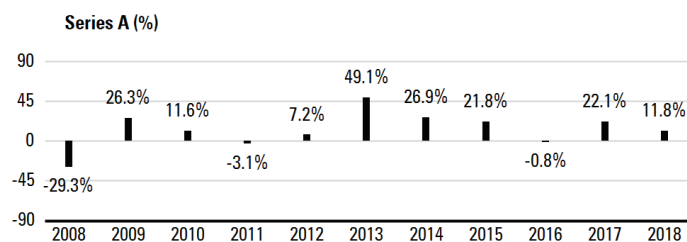


PAST PERFORMANCE

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.



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
Software	16.9
Internet Software and Services	13.7
IT Services	11.2
Technology Hardware, Storage and Peripherals	11.0
Pharmaceuticals	9.7
Semiconductor and Semiconductor Equipment	9.6
Health Care Equipment and Supplies	7.0
Biotechnology	6.0
Health Care Providers and Services	5.6
Communications Equipment	2.6
Electronic Equipment and Instruments	1.8
Life Sciences Tools and Services	1.8
Food and Staples Retailing	0.3
Equity Real Estate Investment	0.2
Cash/Other	2.6

Top 25 Holdings

	% of Net Asset Value
Apple Inc.	9.7
Microsoft Corp.	8.4
Alphabet Inc., Class A	7.7
Facebook Inc., Class A	5.1
UnitedHealth Group Incorporated	2.9
Johnson & Johnson	2.9
Visa Inc., Class A	2.8
Intel Corp.	2.7
Cisco Systems Inc.	2.4
Cash & Cash Equivalents	2.2
Mastercard Inc.	2.2
Pfizer Inc.	2.0
Nvidia Corp.	1.7
Oracle Corporation	1.6
Adobe Systems Inc.	1.5
Merck & Co. Inc.	1.5
Abbott Laboratories	1.5
Broadcom Inc.	1.4
Accenture Plc., Class A	1.4
Thermo Fisher Scientific Inc.	1.4
AbbVie Inc.	1.3
Salesforce.com Inc.	1.3
PayPal Holdings Inc.	1.3
Texas Instruments Inc.	1.2
Amgen Inc.	1.2
Top 25 Holdings	69.3

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.



INTERNATIONAL EQUITY FUND

**RBC INTERNATIONAL DIVIDEND
GROWTH FUND**

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England
(for the European equity portion of the Fund)

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China
(for the Asian equity portion of the Fund)

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 major companies domiciled in developed countries outside of North America.

The Fund invests in stocks that have undergone a selection process emphasizing companies with a leading market position or lucrative niche, consistent and predictable profit growth and strong management teams.

Results of Operations

The Fund's net asset value was \$73 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.5%. 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.

Equities in the developed markets of Europe and Asia felt the negative effects of political uncertainty and a rise in protectionist policies emanating from the U.S. during the first half of 2018. Asian markets declined in early February, with North Asia outperforming Southeast Asia. Japanese equity markets declined sharply in the first quarter of the year before recovering gradually in the second quarter. In Europe, populist politics returned to the fore, with the installation of an Italian government committed to higher government spending and more restrictive immigration. Brexit continued to cause uncertainty in the U.K.

The biggest contributor to the Fund's performance over the period was CSL Ltd., an Australian maker of blood products that reported strong earnings due to recently launched products. Shares of Pandora, a Danish jewellery company, hurt the Fund's returns the most as sales growth slowed in China.

Recent Developments

The sub-advisor expects markets to continue fluctuating, driven by geopolitical events. In Europe, the new Italian government will pose challenges for the European Union, while Brexit negotiations are running into opposition inside the ruling party. In Japan, the recent stabilization of Prime Minister Shinzo Abe's approval ratings implies that he will remain in office, and this should calm investors.

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.

Sub-Advisors

RBC Global Asset Management (UK) Limited and RBC Investment Management (Asia) Limited are the sub-advisors and provide investment advice for the Fund. The sub-advisors earn a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisors are paid by the manager from the management fee paid by the Fund.

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 \$1,000 (2017 – \$3,000) or 1% (2017 – 7%) 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

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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	11.49	0.19	(0.12)	(0.03)	(0.05)	(0.01)	—	(0.07)	—	—	(0.07)	11.48
Dec. 31, 2017	9.54	0.21	(0.23)	0.18	1.54	1.70	—	(0.03)	—	—	(0.03)	11.49
Dec. 31, 2016 ³	10.50 [†]	0.25	(0.20)	(0.53)	(0.06)	(0.54)	—	(0.07)	—	—	(0.07)	9.54
Advisor Series												
June 30, 2018	11.49	0.19	(0.12)	(0.03)	0.01	0.05	—	(0.06)	—	—	(0.06)	11.48
Dec. 31, 2017	9.54	0.22	(0.23)	0.19	1.78	1.96	—	(0.03)	—	—	(0.03)	11.49
Dec. 31, 2016	11.21	0.28	(0.21)	(0.58)	(1.06)	(1.57)	—	(0.07)	—	—	(0.07)	9.54
Dec. 31, 2015	9.10	0.33	(0.24)	1.33	0.68	2.10	—	(0.14)	—	—	(0.14)	11.21
Dec. 31, 2014	9.40	0.67	(0.21)	3.77	(4.09)	0.14	—	(0.23)	—	—	(0.23)	9.10
Dec. 31, 2013	7.18	0.21	(0.18)	1.35	0.86	2.24	—	(0.07)	—	—	(0.07)	9.40
Series T5												
June 30, 2018	10.58	0.18	(0.11)	(0.02)	(0.03)	0.02	—	—	—	(0.26)	(0.26)	10.36
Dec. 31, 2017	9.15	0.19	(0.21)	0.16	1.19	1.33	—	(0.01)	—	(0.45)	(0.46)	10.58
Dec. 31, 2016 ³	10.50 [†]	0.25	(0.18)	(0.52)	(0.30)	(0.75)	—	(0.05)	—	(0.43)	(0.48)	9.15
Series D												
June 30, 2018	11.07	0.19	(0.07)	(0.03)	(0.09)	—	—	(0.09)	—	—	(0.09)	11.08
Dec. 31, 2017	9.14	0.21	(0.13)	0.17	1.00	1.25	—	(0.05)	—	—	(0.05)	11.07
Dec. 31, 2016 ³	10.00 [†]	0.24	(0.11)	(0.51)	0.19	(0.19)	—	(0.10)	—	—	(0.10)	9.14
Series F												
June 30, 2018	11.89	0.20	(0.06)	(0.03)	(0.03)	0.08	—	(0.10)	—	—	(0.10)	11.91
Dec. 31, 2017	9.79	0.22	(0.11)	0.19	1.83	2.13	—	(0.06)	—	—	(0.06)	11.89
Dec. 31, 2016	11.42	0.28	(0.10)	(0.59)	(0.97)	(1.38)	—	(0.12)	—	—	(0.12)	9.79
Dec. 31, 2015	9.19	0.33	(0.11)	1.32	0.67	2.21	—	(0.18)	—	—	(0.18)	11.42
Dec. 31, 2014	9.45	0.70	(0.09)	3.96	(4.29)	0.28	—	(0.31)	—	—	(0.31)	9.19
Dec. 31, 2013	7.22	0.21	(0.08)	1.36	0.86	2.35	—	(0.16)	—	—	(0.16)	9.45
Series FT5												
June 30, 2018	11.03	0.18	(0.06)	(0.02)	0.02	0.12	—	(0.06)	—	(0.22)	(0.28)	10.86
Dec. 31, 2017	9.44	0.20	(0.10)	0.17	1.27	1.54	—	(0.10)	—	(0.37)	(0.47)	11.03
Dec. 31, 2016 ³	10.71 [†]	0.26	(0.08)	(0.55)	(1.15)	(1.52)	—	(0.11)	—	(0.39)	(0.50)	9.44



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	Total	
		Series 0										
June 30, 2018	12.02	0.20	—	(0.03)	0.01	0.18	—	(0.13)	—	—	(0.13)	12.06
Dec. 31, 2017	9.83	0.23	—	0.20	1.76	2.19	—	(0.09)	—	—	(0.09)	12.02
Dec. 31, 2016	11.44	0.28	—	(0.58)	(0.26)	(0.56)	—	(0.16)	—	—	(0.16)	9.83
Dec. 31, 2015	9.14	0.34	—	1.37	0.69	2.40	—	(0.21)	—	—	(0.21)	11.44
Dec. 31, 2014	9.43	0.33	—	1.88	(2.04)	0.17	—	(0.41)	—	—	(0.41)	9.14
Dec. 31, 2013	7.19	0.21	—	1.35	0.85	2.41	—	(0.23)	—	—	(0.23)	9.43

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 January 25, 2016.

[†] 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	11.48	23 214	2 023	2.08	2.08	29.90	0.20
Dec. 31, 2017	11.49	15 172	1 320	2.10	2.11	36.74	0.24
Dec. 31, 2016 ⁴	9.54	4 645	487	2.15 ⁵	2.15	184.20	0.65
Advisor Series							
June 30, 2018	11.48	17 034	1 484	2.10	2.10	29.90	0.20
Dec. 31, 2017	11.49	16 098	1 401	2.10	2.11	36.74	0.24
Dec. 31, 2016	9.54	14 269	1 495	2.15 ⁵	2.16	184.20	0.65
Dec. 31, 2015	11.21	19 569	1 745	2.21	2.22	91.03	0.51
Dec. 31, 2014	9.10	12 005	1 319	2.20	2.21	121.11	0.59
Dec. 31, 2013	9.40	13 763	1 464	2.22	2.22	110.68	0.49
Series T5							
June 30, 2018	10.36	1 830	177	2.17	2.17	29.90	0.20
Dec. 31, 2017	10.58	1 500	142	2.02	2.03	36.74	0.24
Dec. 31, 2016 ⁴	9.15	10	1	2.01 ⁵	2.02	184.20	0.65
Series D							
June 30, 2018	11.08	2 482	224	1.28	1.28	29.90	0.20
Dec. 31, 2017	11.07	1 713	155	1.26	1.27	36.74	0.24
Dec. 31, 2016 ⁴	9.14	425	46	1.26	1.27	184.20	0.65
Series F							
June 30, 2018	11.91	28 020	2 353	0.99	0.99	29.90	0.20
Dec. 31, 2017	11.89	21 575	1 815	1.01	1.02	36.74	0.24
Dec. 31, 2016	9.79	14 685	1 500	0.99	1.00	184.20	0.65
Dec. 31, 2015	11.42	18 264	1 599	1.00	1.02	91.03	0.51
Dec. 31, 2014	9.19	5 897	641	0.99	1.00	121.11	0.59
Dec. 31, 2013	9.45	4 972	526	1.01	1.01	110.68	0.49
Series FT5							
June 30, 2018	10.86	615	57	1.03	1.03	29.90	0.20
Dec. 31, 2017	11.03	483	44	0.95	0.96	36.74	0.24
Dec. 31, 2016 ⁴	9.44	54	6	0.94	0.95	184.20	0.65



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 O							
June 30, 2018	12.06	228	19	0.02	0.02	29.90	0.20
Dec. 31, 2017	12.02	225	19	0.02	0.03	36.74	0.24
Dec. 31, 2016	9.83	350	36	0.02	0.03	184.20	0.65
Dec. 31, 2015	11.44	1	—	0.02	0.03	91.03	0.51
Dec. 31, 2014	9.14	—	—	0.02	0.03	121.11	0.59
Dec. 31, 2013	9.43	43 095	4 571	0.03	0.03	110.68	0.49

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.

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 From January 25, 2016.

⁵ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series and Series T5 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 – 2.15%, Advisor Series – 2.09% and Series T5 – 2.15%.

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	1.75%	57%	43%
Advisor Series	1.75%	62%	38%
Series T5	1.75%	57%	43%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%
Series FT5	0.75%	—	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.

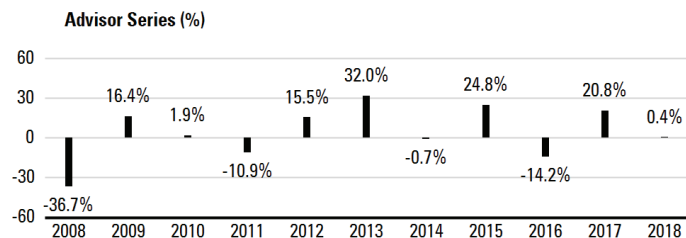


PAST PERFORMANCE

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 (%)

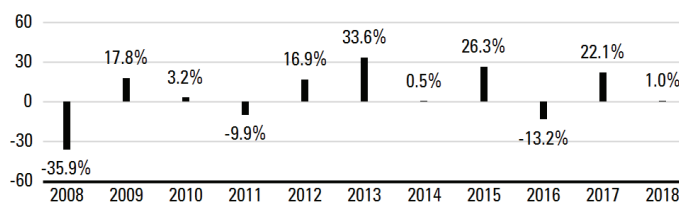
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series D (%)



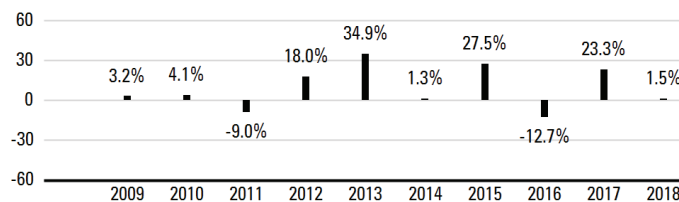
Series F (%)



Series FT5 (%)



Series O (%)



Series A, Series T5, Series D and Series FT5 units have been available for sale to unitholders since January 25, 2016, and Series O units since October 26, 2009.

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
United Kingdom	23.3
Japan	16.8
Germany	10.2
Netherlands	8.5
Australia	7.4
Ireland	5.6
Sweden	5.1
China	4.0
France	4.0
Denmark	3.8
Switzerland	3.4
Hong Kong	2.7
Finland	1.6
Spain	0.9
Indonesia	0.6
Cash/Other	2.1

Top 25 Holdings

	% of Net Asset Value
Unilever Plc.	4.1
CSL Ltd.	3.9
Relx N.V.	3.7
Tencent Holdings Ltd.	3.3
Nitori Co. Ltd.	3.0
Royal Dutch Shell Plc., A Shares	2.9
SoftBank Group Corp.	2.8
AIA Group Ltd.	2.7
London Stock Exchange Group Plc.	2.7
Diageo Plc.	2.6
Novo Nordisk A/S	2.6
Heineken N.V.	2.6
Asahi Group Holdings Ltd.	2.6
Bridgestone Corp.	2.6
Ryanair Holdings Plc. ADR	2.4
SAP SE	2.2
Mitsubishi UFJ Financial Group Inc.	2.1
Cash & Cash Equivalents	2.1
LVMH Louis Vuitton Moët-Hennessy	2.0
Cie Generale D'Optique Essilor International S.A.	1.9
Schroders Plc.	1.9
Sysmex Corp.	1.9
Paddy Power Betfair Plc.	1.8
SMC Corp.	1.8
Bayer AG	1.7
Top 25 Holdings	63.9

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.



INTERNATIONAL EQUITY FUND

RBC INTERNATIONAL EQUITY FUND

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England
(for the European equity portion of the Fund)

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China
(for the Asian equity portion of the Fund)

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 aims to provide long-term capital growth by investing in stocks of companies outside North America, providing exposure to economies that may be at different stages of the business cycle or offer growth opportunities unavailable in U.S. and Canadian markets. The Fund focuses on companies that are primarily in Europe, Australasia and the Far East.

Results of Operations

The Fund's net asset value was \$1.2 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.1%. 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.

Equities in the developed markets of Europe and Asia felt the negative effects of political uncertainty and a rise in protectionist policies emanating from the U.S. during the first half of 2018. Asian markets declined in early February, with North Asia outperforming Southeast Asia. Japanese equity markets declined sharply in the first quarter of the year before recovering gradually in the second quarter. In Europe, populist politics returned to the fore, with the installation of an Italian government committed to higher government spending and more restrictive immigration. Brexit continued to cause uncertainty in the U.K.

The two biggest contributors to performance over the period were CSL Ltd. and London Stock Exchange (LSE). CSL Ltd., an Australian maker of synthetic blood products, reported strong earnings due to recently launched products. LSE's earnings benefited from the company's exposure to trends involving over-the-counter markets and the expanded use of ETFs. Shares of Pandora, a Danish jewellery company, hurt the Fund's returns the most as sales growth slowed in China.

Recent Developments

The sub-advisor expects markets to continue fluctuating, driven by geopolitical events. In Europe, the new Italian government will pose challenges for the European Union, while Brexit negotiations are running into opposition from within the ruling party. In Japan, the recent stabilization of Prime Minister Shinzo Abe's approval ratings implies that he will remain in office, and this should calm investors.

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.

Sub-Advisors

RBC Global Asset Management (UK) Limited and RBC Investment Management (Asia) Limited are the sub-advisors and provide investment advice for the Fund. The sub-advisors earn a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisors are paid by the manager from the management fee paid by the Fund.

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 \$21,000 (2017 – \$51,000) or 2% (2017 – 5%) 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	21.57	0.37	(0.23)	0.04	(0.15)	0.03	—	—	—	—	—	21.59
Dec. 31, 2017	18.21	0.43	(0.43)	0.10	3.26	3.36	—	—	—	—	—	21.57
Dec. 31, 2016	20.08	0.43	(0.41)	(0.31)	(1.59)	(1.88)	—	—	—	—	—	18.21
Dec. 31, 2015	16.04	0.45	(0.42)	0.77	(0.07)	0.73	—	(0.01)	—	—	(0.01)	20.08
Dec. 31, 2014	15.96	0.35	(0.36)	1.12	(1.00)	0.11	—	—	—	—	—	16.04
Dec. 31, 2013	12.32	0.36	(0.32)	0.65	3.05	3.74	—	(0.03)	—	—	(0.03)	15.96
Advisor Series												
June 30, 2018	21.41	0.37	(0.23)	0.04	(0.16)	0.02	—	—	—	—	—	21.44
Dec. 31, 2017	18.07	0.43	(0.43)	0.10	3.10	3.20	—	—	—	—	—	21.41
Dec. 31, 2016	19.93	0.43	(0.40)	(0.30)	(1.34)	(1.61)	—	—	—	—	—	18.07
Dec. 31, 2015	15.91	0.42	(0.42)	0.72	(0.06)	0.66	—	(0.01)	—	—	(0.01)	19.93
Dec. 31, 2014	15.83	0.35	(0.35)	1.11	(0.99)	0.12	—	—	—	—	—	15.91
Dec. 31, 2013	12.21	0.35	(0.32)	0.63	2.96	3.62	—	(0.03)	—	—	(0.03)	15.83
Series T5												
June 30, 2018	20.77	0.35	(0.21)	0.04	(0.05)	0.13	—	—	—	(0.52)	(0.52)	20.28
Dec. 31, 2017 ³	18.71 [†]	0.34	(0.37)	0.08	1.83	1.88	—	—	—	(0.78)	(0.78)	20.77
Series D												
June 30, 2018	22.22	0.38	(0.14)	0.04	(0.16)	0.12	—	—	—	—	—	22.34
Dec. 31, 2017	18.70	0.45	(0.26)	0.10	3.33	3.62	—	(0.13)	—	—	(0.13)	22.22
Dec. 31, 2016	20.60	0.44	(0.24)	(0.32)	(1.56)	(1.68)	—	(0.16)	—	—	(0.16)	18.70
Dec. 31, 2015	16.37	0.46	(0.24)	0.78	(0.07)	0.93	—	(0.10)	—	—	(0.10)	20.60
Dec. 31, 2014	16.23	0.35	(0.21)	1.13	(1.01)	0.26	—	(0.11)	—	—	(0.11)	16.37
Dec. 31, 2013	12.48	0.36	(0.19)	0.65	3.03	3.85	—	(0.12)	—	—	(0.12)	16.23
Series F												
June 30, 2018	24.10	0.41	(0.12)	0.04	(0.25)	0.08	—	—	—	—	—	24.27
Dec. 31, 2017	20.29	0.48	(0.22)	0.11	3.43	3.80	—	(0.21)	—	—	(0.21)	24.10
Dec. 31, 2016	22.35	0.48	(0.21)	(0.34)	(2.01)	(2.08)	—	(0.22)	—	—	(0.22)	20.29
Dec. 31, 2015	17.76	0.41	(0.22)	0.71	(0.06)	0.84	—	(0.16)	—	—	(0.16)	22.35
Dec. 31, 2014	17.63	0.39	(0.18)	1.25	(1.12)	0.34	—	(0.19)	—	—	(0.19)	17.76
Dec. 31, 2013	13.57	0.40	(0.16)	0.72	3.36	4.32	—	(0.20)	—	—	(0.20)	17.63
Series FT5												
June 30, 2018	23.42	0.39	(0.11)	0.04	(0.29)	0.03	—	(0.13)	—	(0.46)	(0.59)	23.00
Dec. 31, 2017 ³	20.89 [†]	0.38	(0.19)	0.08	3.70	3.97	—	(0.19)	—	(0.68)	(0.87)	23.42



FINANCIAL HIGHLIGHTS (cont.)

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

							Annual Distributions ²					Net Assets End of Year/Period
							From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total						
Series O												
June 30, 2018	22.96	0.39	—	0.04	(0.19)	0.24	—	—	—	—	—	23.23
Dec. 31, 2017	19.32	0.46	—	0.10	3.43	3.99	—	(0.42)	—	—	(0.42)	22.96
Dec. 31, 2016	21.29	0.46	—	(0.33)	(1.36)	(1.23)	—	(0.41)	—	—	(0.41)	19.32
Dec. 31, 2015	16.91	0.44	—	0.75	(0.07)	1.12	—	(0.36)	—	—	(0.36)	21.29
Dec. 31, 2014	16.66	0.35	—	1.12	(1.01)	0.46	—	(0.21)	—	—	(0.21)	16.91
Dec. 31, 2013	12.73	0.36	—	0.64	3.00	4.00	—	(0.23)	—	—	(0.23)	16.66

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	21.59	135 211	6 262	2.15	2.15	32.69	0.17
Dec. 31, 2017	21.57	139 463	6 465	2.15	2.15	33.73	0.18
Dec. 31, 2016	18.21	126 418	6 942	2.20 ⁴	2.20	46.19	0.26
Dec. 31, 2015	20.08	153 272	7 632	2.26	2.26	35.88	0.28
Dec. 31, 2014	16.04	120 626	7 521	2.26	2.26	68.87	0.40
Dec. 31, 2013	15.96	124 714	7 814	2.27	2.27	55.63	0.30
Advisor Series							
June 30, 2018	21.44	4 813	225	2.11	2.11	32.69	0.17
Dec. 31, 2017	21.41	4 664	218	2.14	2.14	33.73	0.18
Dec. 31, 2016	18.07	3 948	218	2.18 ⁴	2.18	46.19	0.26
Dec. 31, 2015	19.93	3 899	196	2.25	2.25	35.88	0.28
Dec. 31, 2014	15.91	1 638	103	2.21	2.21	68.87	0.40
Dec. 31, 2013	15.83	1 353	85	2.23	2.23	55.63	0.30
Series T5							
June 30, 2018	20.28	404	20	2.07	2.07	32.69	0.17
Dec. 31, 2017 ⁵	20.77	113	5	2.14	2.14	33.73	0.18
Series D							
June 30, 2018	22.34	72 830	3 260	1.25	1.25	32.69	0.17
Dec. 31, 2017	22.22	71 534	3 220	1.26	1.26	33.73	0.18
Dec. 31, 2016	18.70	56 801	3 037	1.25	1.25	46.19	0.26
Dec. 31, 2015	20.60	58 812	2 854	1.26	1.26	35.88	0.28
Dec. 31, 2014	16.37	37 444	2 288	1.27	1.27	68.87	0.40
Dec. 31, 2013	16.23	25 776	1 588	1.29	1.29	55.63	0.30
Series F							
June 30, 2018	24.27	58 711	2 419	0.97	0.97	32.69	0.17
Dec. 31, 2017	24.10	41 074	1 704	0.97	0.97	33.73	0.18
Dec. 31, 2016	20.29	20 944	1 032	1.01	1.01	46.19	0.26
Dec. 31, 2015	22.35	19 309	864	1.02	1.02	35.88	0.28
Dec. 31, 2014	17.76	1 784	100	1.01	1.01	68.87	0.40
Dec. 31, 2013	17.63	1 907	108	1.01	1.01	55.63	0.30



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	23.00	457	20	0.95	0.95	32.69	0.17
Dec. 31, 2017 ⁵	23.42	114	5	0.96	0.96	33.73	0.18
Series O							
June 30, 2018	23.23	947 643	40 799	0.02	0.02	32.69	0.17
Dec. 31, 2017	22.96	863 374	37 608	0.02	0.02	33.73	0.18
Dec. 31, 2016	19.32	578 709	29 950	0.02	0.02	46.19	0.26
Dec. 31, 2015	21.29	452 076	21 232	0.02	0.02	35.88	0.28
Dec. 31, 2014	16.91	94 897	5 611	0.02	0.02	68.87	0.40
Dec. 31, 2013	16.66	27 929	1 676	0.02	0.02	55.63	0.30

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 and Advisor Series 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 – 2.15% and Advisor Series – 2.13%.

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	1.75%	62%	38%
Advisor Series	1.75%	62%	38%
Series T5	1.75%	57%	43%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%
Series FT5	0.75%	—	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.

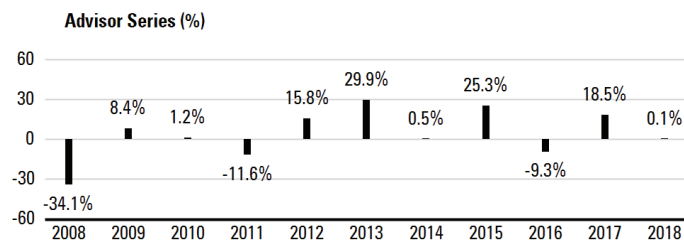
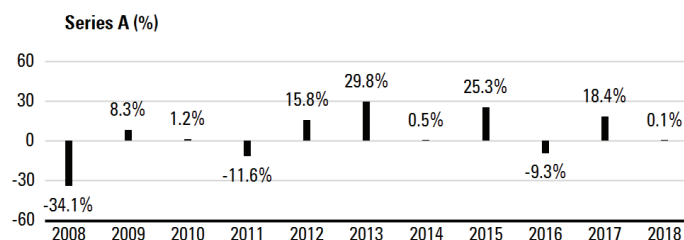


PAST PERFORMANCE

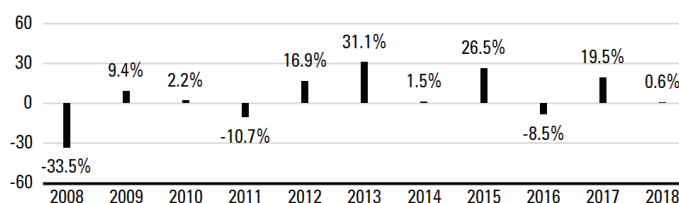
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

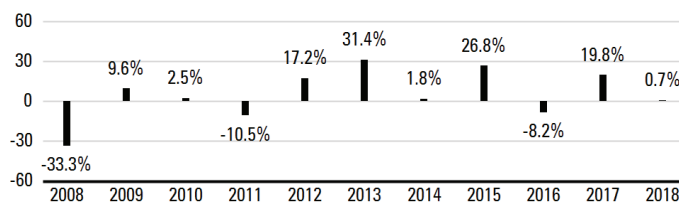
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series D (%)



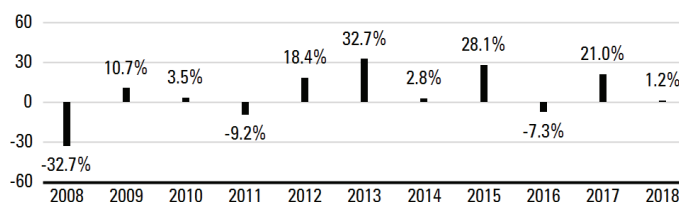
Series F (%)



Series FT5 (%)



Series O (%)



Series T5 and Series FT5 units have been available for sale to unitholders since February 15, 2017, and Series O units since January 1, 2008.

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
United Kingdom	24.6
Japan	17.6
Germany	9.1
Netherlands	8.4
Australia	7.7
Ireland	5.7
Denmark	4.6
Sweden	4.1
Switzerland	3.3
France	2.8
Finland	1.7
Taiwan	1.5
Other Countries	7.0
Cash/Other	1.9

Top 25 Holdings

	% of Net Asset Value
Unilever Plc.	4.2
Relx N.V.	3.7
Royal Dutch Shell Plc., A Shares	3.0
CSL Ltd.	2.9
London Stock Exchange Group Plc.	2.7
Novo Nordisk A/S	2.7
Diageo Plc.	2.6
Heineken N.V.	2.6
Ryanair Holdings Plc. ADR	2.4
SoftBank Group Corp.	2.3
Tencent Holdings Ltd.	2.1
Mitsubishi UFJ Financial Group Inc.	2.0
Paddy Power Betfair Plc.	1.9
SAP SE	1.8
LVMH Louis Vuitton Moët-Hennessy	1.8
Cash & Cash Equivalents	1.7
Sampo OYJ	1.7
Schroders Plc.	1.7
Bridgestone Corp.	1.7
Bayer AG	1.6
Roche Holdings AG Genusscheine	1.6
Daikin Industries Ltd.	1.5
Daiichi Sankyo Co. Ltd.	1.5
Suzuki Motor Co. Ltd.	1.5
Fresenius Medical Care AG & Co. KGaA	1.5
Top 25 Holdings	54.7

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.



INTERNATIONAL EQUITY FUND

**RBC INTERNATIONAL EQUITY
CURRENCY NEUTRAL FUND**

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England
(for the European equity portion of the underlying fund)

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China
(for the Asian equity portion of the underlying fund)

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 units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called the “underlying funds”), emphasizing mutual funds that invest in equity securities of companies outside of North America in order to provide exposure to economies that offer different business cycles and growth opportunities than North American markets. The Fund also seeks to minimize the exposure to currency fluctuations between foreign currencies and the Canadian dollar.

To achieve its objective, the Fund invests its assets primarily in units of the RBC International Equity Fund, or other underlying funds. Each underlying fund’s investment process is primarily based on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

Results of Operations

The Fund’s net asset value was \$55 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units lost 2.3%. 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.

Equities in the developed markets of Europe and Asia felt the negative effects of political uncertainty and a rise in protectionist policies emanating from the U.S. during the first half of 2018. Asian markets declined in early February, with North Asia outperforming Southeast Asia. Japanese equity markets declined sharply in the first quarter of the year before recovering gradually in the second quarter. In Europe, populist politics returned to the fore, with the installation of an Italian government committed to higher government spending and more restrictive immigration. Brexit continued to cause uncertainty in the U.K.

The two biggest contributors to performance over the period were CSL Ltd. and London Stock Exchange (“LSE”). CSL Ltd., an Australian maker of blood products, reported strong earnings due to recently launched products. LSE’s earnings benefited from the company’s exposure to trends involving over-the-counter markets and the expanded use of ETFs. Shares of Pandora, a Danish jewellery company, hurt the Fund’s returns as sales growth slowed in China.

It is the policy of the Fund to maintain currency hedges in order to neutralize exchange-rate movements between the Canadian dollar and other currencies. Given this approach, unitholders did not benefit from their rise against the Canadian dollar during the period.

Recent Developments

The sub-advisor expects markets to continue to be volatile, driven by geopolitical events. In Europe, the new Italian government will pose challenges for the European Union, while Brexit negotiations are running into opposition from within the ruling party. In Japan, the recent stabilization of Prime Minister Shinzo Abe’s approval ratings implies that he will remain in office, and this should calm investors in that region.

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.

Sub-Advisors

RBC Global Asset Management (UK) Limited and RBC Investment Management (Asia) Limited are the sub-advisors and provide investment advice for the Fund. The sub-advisors earn a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisors are paid by the manager from the management fee paid by the Fund.

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.

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	13.25	—	(0.14)	0.09	(0.25)	(0.30)	—	—	—	—	—	12.94
Dec. 31, 2017	11.27	0.25	(0.26)	0.44	1.54	1.97	—	—	—	—	—	13.25
Dec. 31, 2016	11.60	0.26	(0.24)	0.49	(0.80)	(0.29)	—	—	—	—	—	11.27
Dec. 31, 2015	10.46	0.22	(0.26)	(0.49)	1.46	0.93	—	—	—	—	—	11.60
Dec. 31, 2014 ³	10.00 [†]	0.17	(0.16)	0.35	0.19	0.55	(0.03)	—	(0.26)	—	(0.29)	10.46
Advisor Series												
June 30, 2018	13.26	—	(0.13)	0.09	(0.90)	(0.94)	—	—	—	—	—	12.95
Dec. 31, 2017	11.27	0.24	(0.27)	0.44	1.49	1.90	—	—	—	—	—	13.26
Dec. 31, 2016	11.61	0.26	(0.24)	0.49	(0.90)	(0.39)	—	—	—	—	—	11.27
Dec. 31, 2015	10.46	0.21	(0.24)	(0.47)	1.38	0.88	—	—	—	—	—	11.61
Dec. 31, 2014 ³	10.00 [†]	0.34	(0.14)	0.68	0.38	1.26	(0.06)	—	(0.26)	—	(0.32)	10.46
Series D												
June 30, 2018	13.42	—	(0.08)	0.09	(0.32)	(0.31)	—	—	—	—	—	13.16
Dec. 31, 2017	11.38	0.25	(0.16)	0.45	1.55	2.09	—	(0.09)	—	—	(0.09)	13.42
Dec. 31, 2016	11.71	0.26	(0.14)	0.49	(0.55)	0.06	—	(0.09)	—	—	(0.09)	11.38
Dec. 31, 2015	10.51	0.22	(0.15)	(0.50)	1.47	1.04	—	(0.06)	—	—	(0.06)	11.71
Dec. 31, 2014 ³	10.00 [†]	0.16	(0.09)	0.32	0.18	0.57	(0.05)	—	(0.26)	—	(0.31)	10.51
Series F												
June 30, 2018	13.38	—	(0.07)	0.09	(0.23)	(0.21)	—	—	—	—	—	13.14
Dec. 31, 2017	11.35	0.25	(0.13)	0.44	1.25	1.81	—	(0.12)	—	—	(0.12)	13.38
Dec. 31, 2016	11.67	0.26	(0.11)	0.49	(0.06)	0.58	—	(0.12)	—	—	(0.12)	11.35
Dec. 31, 2015	10.46	0.21	(0.11)	(0.48)	1.41	1.03	—	(0.09)	—	—	(0.09)	11.67
Dec. 31, 2014 ³	10.00 [†]	0.34	(0.06)	0.68	0.38	1.34	(0.14)	—	(0.26)	—	(0.40)	10.46
Series O												
June 30, 2018	13.43	—	—	0.09	(0.25)	(0.16)	—	—	—	—	—	13.26
Dec. 31, 2017	11.39	0.25	—	0.45	1.58	2.28	—	(0.25)	—	—	(0.25)	13.43
Dec. 31, 2016	11.72	0.26	—	0.49	(0.62)	0.13	—	(0.23)	—	—	(0.23)	11.39
Dec. 31, 2015	10.52	0.23	—	(0.52)	1.52	1.23	—	(0.20)	—	—	(0.20)	11.72
Dec. 31, 2014 ³	10.00 [†]	0.18	—	0.36	0.20	0.74	(0.14)	—	(0.26)	—	(0.40)	10.52

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 April 28, 2014.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	12.94	5 897	456	2.13	2.13	19.69	0.17
Dec. 31, 2017	13.25	6 170	466	2.13	2.13	22.62	0.18
Dec. 31, 2016	11.27	3 668	326	2.18 ⁴	2.19	37.11	0.25
Dec. 31, 2015	11.60	3 628	313	2.23	2.25	33.81	0.28
Dec. 31, 2014 ⁵	10.46	923	88	2.29	2.30	5.57	0.39
Advisor Series							
June 30, 2018	12.95	667	52	2.15	2.15	19.69	0.17
Dec. 31, 2017	13.26	102	8	2.17	2.17	22.62	0.18
Dec. 31, 2016	11.27	7	1	2.23 ⁴	2.24	37.11	0.25
Dec. 31, 2015	11.61	89	8	2.13	2.14	33.81	0.28
Dec. 31, 2014 ⁵	10.46	1	—	2.12	2.13	5.57	0.39
Series D							
June 30, 2018	13.16	2 612	198	1.26	1.26	19.69	0.17
Dec. 31, 2017	13.42	2 766	206	1.28	1.28	22.62	0.18
Dec. 31, 2016	11.38	1 656	145	1.29	1.30	37.11	0.25
Dec. 31, 2015	11.71	875	75	1.28	1.29	33.81	0.28
Dec. 31, 2014 ⁵	10.51	139	13	1.25	1.26	5.57	0.39
Series F							
June 30, 2018	13.14	4 659	354	1.03	1.03	19.69	0.17
Dec. 31, 2017	13.38	3 647	273	1.00	1.00	22.62	0.18
Dec. 31, 2016	11.35	581	51	0.97	0.97	37.11	0.25
Dec. 31, 2015	11.67	35	3	0.97	0.98	33.81	0.28
Dec. 31, 2014 ⁵	10.46	1	—	0.96	0.97	5.57	0.39
Series O							
June 30, 2018	13.26	41 205	3 108	0.04	0.04	19.69	0.17
Dec. 31, 2017	13.43	48 783	3 632	0.04	0.04	22.62	0.18
Dec. 31, 2016	11.39	39 669	3 482	0.04	0.05	37.11	0.25
Dec. 31, 2015	11.72	31 057	2 651	0.04	0.06	33.81	0.28
Dec. 31, 2014 ⁵	10.52	19 975	1 900	0.04	0.05	5.57	0.39

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 and Advisor Series 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 – 2.13% and Advisor Series – 2.17%.

⁵ From April 28, 2014.



FINANCIAL HIGHLIGHTS (cont.)

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	1.75%	54%	46%
Advisor Series	1.75%	54%	46%
Series D	1.00%	25%	75%
Series F	0.75%	—	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.

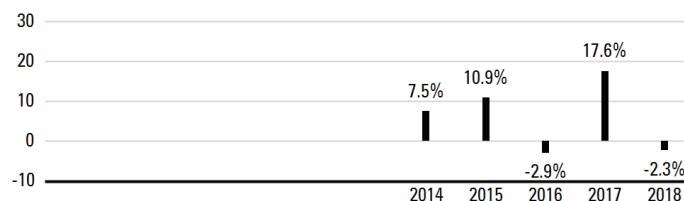
PAST PERFORMANCE

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.

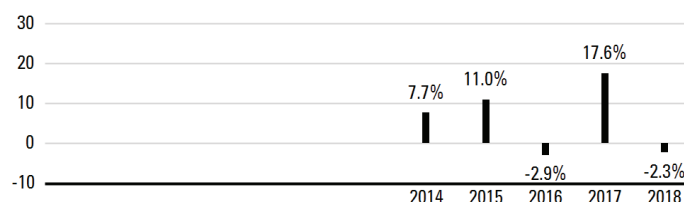
Year-by-Year Returns (%)

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.

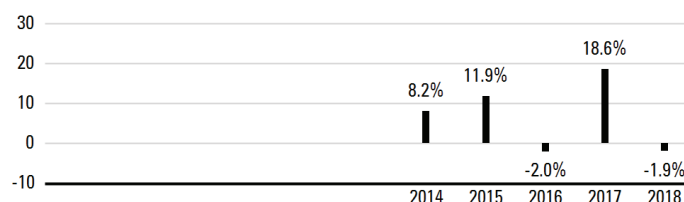
Series A (%)



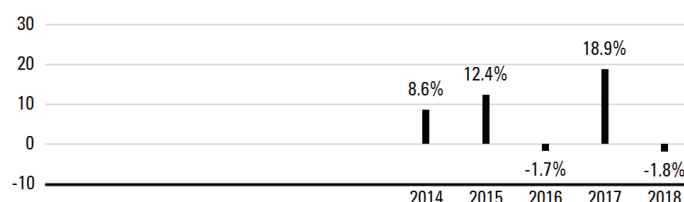
Advisor Series (%)



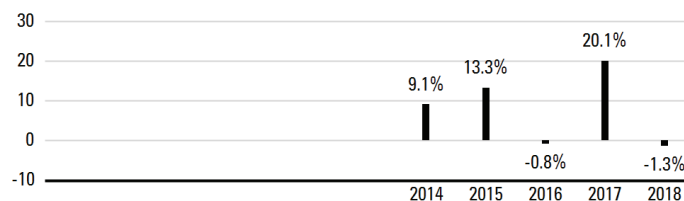
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since April 28, 2014.

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
United Kingdom	24.6
Japan	17.6
Germany	9.1
Netherlands	8.4
Australia	7.7
Ireland	5.7
Denmark	4.6
Sweden	4.1
Switzerland	3.3
France	2.8
Finland	1.7
Taiwan	1.5
Other Countries	7.0
Cash/Other	1.9

Top 25 Holdings*

	% of Net Asset Value
Unilever Plc.	4.2
Relx N.V.	3.7
Royal Dutch Shell Plc., A Shares	3.0
CSL Ltd.	2.9
London Stock Exchange Group Plc.	2.7
Novo Nordisk A/S	2.7
Diageo Plc.	2.6
Heineken N.V.	2.6
Ryanair Holdings Plc. ADR	2.4
SoftBank Group Corp.	2.3
Tencent Holdings Ltd.	2.1
Mitsubishi UFJ Financial Group Inc.	2.0
Paddy Power Betfair Plc.	1.9
SAP SE	1.8
LVMH Louis Vuitton Moët-Hennessy	1.8
Cash & Cash Equivalents	1.7
Sampo OYJ	1.7
Schroders Plc.	1.7
Bridgestone Corp.	1.7
Bayer AG	1.6
Roche Holdings AG Genusscheine	1.6
Daikin Industries Ltd.	1.5
Daiichi Sankyo Co. Ltd.	1.5
Suzuki Motor Co. Ltd.	1.5
Fresenius Medical Care AG & Co. KGaA	1.5
Top 25 Holdings	54.7

* The Fund invests substantially all of its assets directly in the RBC International Equity Fund.
The above are the Top 25 holdings of the RBC International Equity Fund.

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.



INTERNATIONAL EQUITY FUND

**RBC INTERNATIONAL INDEX
CURRENCY NEUTRAL FUND**

June 30, 2018

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

Sub-Advisor (for the underlying fund): State Street Global Advisors, Ltd.

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 tracking the performance of the FTSE Developed ex North America Hedged 100% to CAD Index and investing primarily in units of the RBC International Equity Index ETF (the “underlying fund”). The Fund may also use derivatives to hedge against the fluctuations in the value of foreign currencies relative to the Canadian dollar.

Results of Operations

The Fund’s net asset value was \$420 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units lost 0.7%. 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.

Equities in the developed markets of Europe and Asia felt the negative effects of political uncertainty and a rise in protectionist policies emanating from the U.S. during the first half of 2018. Asian markets declined in early February, with North Asia outperforming Southeast Asia. Japanese equity markets declined sharply in the first quarter of the year before recovering gradually in the second quarter. In Europe, populist politics returned to the fore with the installation of an Italian government committed to higher government spending and more restrictive immigration. Brexit continued to cause uncertainty in the U.K.

It is the policy of the Fund to maintain currency hedges in order to neutralize the impact of exchange-rate movements between the Canadian dollar and other currencies. Given this approach, unitholders did not benefit from their rise against the Canadian dollar during the period.

Recent Developments

The sub-advisor has no recent developments to report.

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 \$28,000 (2017 – \$0) or 60% (2017 – 0%) 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	11.26	0.14	(0.02)	(0.26)	0.06	(0.08)	—	—	—	—	—	11.17
Dec. 31, 2017	11.03	1.49	(0.07)	(0.16)	0.38	1.64	(1.40)	(0.03)	—	—	(1.43)	11.26
Dec. 31, 2016	10.54	0.61	(0.07)	—	—	0.54	(0.12)	—	—	—	(0.12)	11.03
Dec. 31, 2015	10.17	0.43	(0.08)	—	—	0.35	—	—	—	—	—	10.54
Dec. 31, 2014	9.68	0.56	(0.07)	—	0.01	0.50	—	—	—	—	—	10.17
Dec. 31, 2013	7.70	2.03	(0.06)	—	—	1.97	—	—	—	—	—	9.68
Series F												
June 30, 2018	11.47	0.14	—	(0.27)	0.05	(0.08)	—	—	—	—	—	11.40
Dec. 31, 2017	11.25	1.52	(0.04)	(0.16)	0.33	1.65	(1.47)	(0.03)	—	—	(1.50)	11.47
Dec. 31, 2016 ³	10.00 [†]	0.32	(0.03)	—	1.43	1.72	(0.14)	—	—	—	(0.14)	11.25

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 July 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	11.17	398 345	35 647	0.62	0.62	4.60	0.02
Dec. 31, 2017	11.26	403 160	35 812	0.60	0.60	1.49	0.03
Dec. 31, 2016	11.03	343 561	31 149	0.71	0.71	n/a	—
Dec. 31, 2015	10.54	353 381	33 520	0.71	0.71	n/a	—
Dec. 31, 2014	10.17	343 613	33 773	0.71	0.71	n/a	—
Dec. 31, 2013	9.68	315 975	32 642	0.71	0.71	n/a	—
Series F							
June 30, 2018	11.40	21 986	1 929	0.28	0.28	4.60	0.02
Dec. 31, 2017	11.47	10 822	944	0.30	0.30	1.49	0.03
Dec. 31, 2016 ⁴	11.25	2 888	257	0.56	0.56	n/a	—

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 From July 4, 2016.

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	0.30%	20%	80%
Series F	0.00%	—	100%

* Effective October 11, 2017, the management fees for Series A units were waived to 0.30% from 0.50%; and for Series F units were waived to 0.00% from 0.20% to account for the management fee charged by the underlying fund. Effective June 30, 2017, the management fees for Series F units were reduced to 0.20% from 0.40%.

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

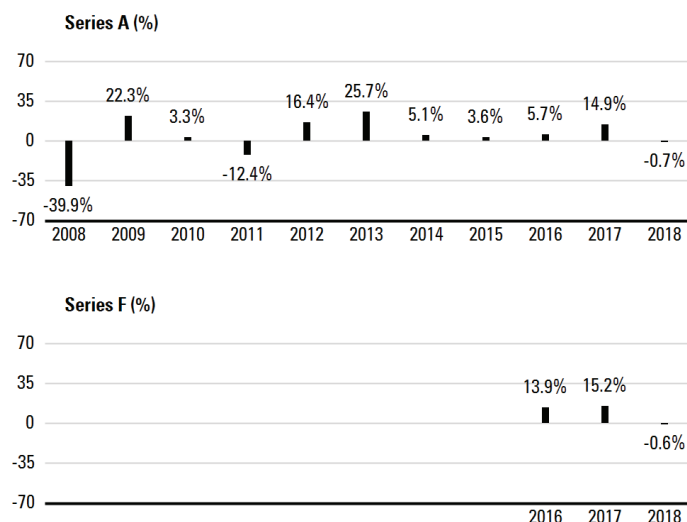


PAST PERFORMANCE

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 F units have been available for sale to unitholders since July 4, 2016.

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
Financials	19.2
Industrials	14.6
Consumer Discretionary	12.3
Consumer Staples	11.0
Health Care	10.2
Information Technology	8.5
Materials	8.4
Energy	5.8
Telecommunication Services	3.3
Real Estate	3.2
Utilities	3.2
Cash/Other	0.3

Top 25 Holdings*

	% of Net Asset Value
Nestlé S.A.	1.5
SAP SE	1.2
HSBC Holdings Plc. (U.K. Reg.)	1.2
TS Tech Co. Ltd.	1.0
Novartis AG	1.0
Royal Dutch Shell Plc., A Shares	1.0
Total S.A.	1.0
Roche Holdings AG Genusscheine	1.0
BP Plc.	0.9
Royal Dutch Shell Plc., B Shares	0.8
British American Tobacco Plc.	0.7
Semiconductor Manufacturing International Corp.	0.7
AEON Financial Service Co. Ltd.	0.7
Bayer AG	0.7
Siemens AG	0.6
GlaxoSmithKline Plc.	0.6
BNP Paribas S.A.	0.6
AIB Group Plc.	0.6
BASF AG	0.6
AstraZeneca Plc.	0.6
Sanofi	0.6
Davide Campari-Milano S.p.A.	0.5
Bank Leumi Le-Israel	0.5
Unilever Plc.	0.5
Macau Legend Development Ltd.	0.5
Top 25 Holdings	19.6

* The Fund invests substantially all of its assets directly in the RBC International Equity Index ETF. The above are the Top 25 holdings of the RBC International Equity Index ETF.

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.



INTERNATIONAL EQUITY FUND

RBC O'SHAUGHNESSY INTERNATIONAL EQUITY FUND

June 30, 2018

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

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

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 total returns consisting of capital growth and current income by investing primarily in equity securities of companies outside of North America based on Strategy Indexing[®], an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

To achieve its objective, the Fund selects securities on the basis of several factors, including valuation, momentum and return of capital to shareholders. Valuation is based on a variety of measures, including a company's market capitalization ratios and financial statement metrics. The Fund also select securities based on momentum which may include six-month total return and nine-month total return. Return of capital to shareholders may include dividends and buybacks. The Fund does not hedge currency exposure back to Canadian dollars.

Results of Operations

The Fund's net asset value was \$361 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 0.2%. 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.

The S&P 500 Index outperformed other developed markets during the period, with equities in Europe and Japan declining in local-currency terms but positive when adjusted for a decline in the Canadian dollar. Canadian equities were up slightly. Commodity prices, including oil, appreciated during the period.

Exposure to stocks with smaller market capitalizations aided relative returns. An overweight allocation to higher-beta equities – stocks that tend to rise and fall more than the overall market – had a positive impact. The Fund's overweight allocation to value and shareholder yield had a negative effect on the Fund's returns.

Allocation among industry sectors added to returns while security selection held back returns slightly. Allocations to the Energy and Financials sectors boosted returns, as did security selection in Consumer Staples and Financials. An underweight allocation to and security selection in the Real Estate sector as well as security selection in Telecommunication Services and Information Technology hurt returns. Fiat Chrysler, Nestle and Marine Harvest were the largest contributors to returns. Derichiebourg, Telstra and Skandinaviska Enskilda Banken held back returns most among individual stocks.

Overall allocation among countries aided performance. Country security selection had little impact. Security selections within Italy and Norway were the main contributors to returns. An underweight allocation to Switzerland and an overweight allocation to Norway also aided performance. This was partially offset by an overweight allocation to Denmark and security selection in Japan and France, which negatively affected the Fund's returns.

The Fund increased allocations to the Energy sector during the period and decreased allocations to the Telecommunication Services sector.

Recent Developments

In January 2018, Patrick O'Shaughnessy was promoted to chief executive officer of O'Shaughnessy Asset Management, the sub-advisor of the Fund. Patrick O'Shaughnessy directs the firm's initiatives in research and portfolio management, investor education and client relationships. He reports to Jim O'Shaughnessy, the firm's chairman and chief investment officer.

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.

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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.

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	11.19	0.43	(0.13)	0.65	(0.91)	0.04	—	—	—	—	—	11.21	
Dec. 31, 2017	9.89	0.41	(0.24)	0.85	0.51	1.53	—	(0.18)	—	—	(0.18)	11.19	
Dec. 31, 2016	10.67	0.40	(0.23)	(0.28)	(0.54)	(0.65)	—	(0.20)	—	—	(0.20)	9.89	
Dec. 31, 2015	9.28	0.38	(0.23)	1.06	0.37	1.58	—	(0.15)	—	—	(0.15)	10.67	
Dec. 31, 2014	9.18	0.45	(0.22)	1.35	(1.27)	0.31	—	(0.23)	—	—	(0.23)	9.28	
Dec. 31, 2013	6.77	0.31	(0.18)	0.60	1.82	2.55	—	(0.14)	—	—	(0.14)	9.18	
Advisor Series													
June 30, 2018	11.03	0.42	(0.12)	0.64	(0.90)	0.04	—	—	—	—	—	11.06	
Dec. 31, 2017	9.74	0.40	(0.23)	0.84	0.49	1.50	—	(0.19)	—	—	(0.19)	11.03	
Dec. 31, 2016	10.52	0.39	(0.22)	(0.28)	(0.53)	(0.64)	—	(0.21)	—	—	(0.21)	9.74	
Dec. 31, 2015	9.16	0.37	(0.23)	1.04	0.37	1.55	—	(0.16)	—	—	(0.16)	10.52	
Dec. 31, 2014	9.08	0.44	(0.21)	1.33	(1.25)	0.31	—	(0.25)	—	—	(0.25)	9.16	
Dec. 31, 2013	6.69	0.30	(0.17)	0.59	1.79	2.51	—	(0.14)	—	—	(0.14)	9.08	
Series D													
June 30, 2018	11.31	0.44	(0.08)	0.66	(0.94)	0.08	—	—	—	—	—	11.39	
Dec. 31, 2017	10.00	0.41	(0.15)	0.87	0.50	1.63	—	(0.29)	—	—	(0.29)	11.31	
Dec. 31, 2016	10.79	0.41	(0.14)	(0.29)	(0.53)	(0.55)	—	(0.30)	—	—	(0.30)	10.00	
Dec. 31, 2015	9.39	0.39	(0.14)	1.07	0.38	1.70	—	(0.25)	—	—	(0.25)	10.79	
Dec. 31, 2014	9.26	0.45	(0.13)	1.36	(1.28)	0.40	—	(0.29)	—	—	(0.29)	9.39	
Dec. 31, 2013	6.79	0.31	(0.11)	0.61	1.83	2.64	—	(0.18)	—	—	(0.18)	9.26	
Series F													
June 30, 2018	10.45	0.40	(0.06)	0.61	(0.91)	0.04	—	—	—	—	—	10.53	
Dec. 31, 2017	9.23	0.38	(0.11)	0.81	0.36	1.44	—	(0.30)	—	—	(0.30)	10.45	
Dec. 31, 2016	9.97	0.38	(0.10)	(0.27)	(0.43)	(0.42)	—	(0.30)	—	—	(0.30)	9.23	
Dec. 31, 2015	8.67	0.36	(0.10)	0.99	0.35	1.60	—	(0.26)	—	—	(0.26)	9.97	
Dec. 31, 2014	8.59	0.42	(0.10)	1.27	(1.19)	0.40	—	(0.33)	—	—	(0.33)	8.67	
Dec. 31, 2013	6.33	0.29	(0.08)	0.56	1.70	2.47	—	(0.23)	—	—	(0.23)	8.59	
Series I													
June 30, 2018	12.24	0.47	(0.05)	0.71	(1.00)	0.13	—	—	—	—	—	12.35	
Dec. 31, 2017	10.82	0.44	(0.10)	0.92	0.36	1.62	—	(0.39)	—	—	(0.39)	12.24	
Dec. 31, 2016	11.67	0.44	(0.09)	(0.31)	(0.49)	(0.45)	—	(0.38)	—	—	(0.38)	10.82	
Dec. 31, 2015	10.17	0.42	(0.09)	1.17	0.41	1.91	—	(0.35)	—	—	(0.35)	11.67	
Dec. 31, 2014	10.05	0.49	(0.09)	1.48	(1.40)	0.48	—	(0.39)	—	—	(0.39)	10.17	
Dec. 31, 2013	7.40	0.34	(0.07)	0.66	2.00	2.93	—	(0.28)	—	—	(0.28)	10.05	



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	Total	
		Series 0										
June 30, 2018	10.00	0.39	—	0.58	(0.83)	0.14	—	—	—	—	—	10.13
Dec. 31, 2017	8.84	0.37	—	0.77	0.46	1.60	(0.01)	(0.39)	—	—	(0.40)	10.00
Dec. 31, 2016	9.56	0.36	—	(0.26)	(0.44)	(0.34)	—	(0.40)	—	—	(0.40)	8.84
Dec. 31, 2015	8.32	0.34	—	0.96	0.34	1.64	—	(0.36)	—	—	(0.36)	9.56
Dec. 31, 2014	8.25	0.41	—	1.22	(1.15)	0.48	—	(0.42)	—	—	(0.42)	8.32
Dec. 31, 2013	6.05	0.28	—	0.54	1.64	2.46	—	(0.26)	—	—	(0.26)	8.25

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.

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	11.21	274 272	24 453	2.25	2.25	93.51	0.17
Dec. 31, 2017	11.19	301 159	26 907	2.25	2.25	67.66	0.13
Dec. 31, 2016	9.89	314 474	31 812	2.25	2.25	72.80	0.14
Dec. 31, 2015	10.67	405 852	38 043	2.25	2.25	75.66	0.15
Dec. 31, 2014	9.28	403 941	43 521	2.25	2.25	76.56	0.14
Dec. 31, 2013	9.18	407 485	44 377	2.26	2.26	71.42	0.13
Advisor Series							
June 30, 2018	11.06	4 348	393	2.20	2.20	93.51	0.17
Dec. 31, 2017	11.03	4 940	448	2.19	2.19	67.66	0.13
Dec. 31, 2016	9.74	4 948	508	2.19	2.19	72.80	0.14
Dec. 31, 2015	10.52	6 342	603	2.22	2.22	75.66	0.15
Dec. 31, 2014	9.16	6 193	676	2.20	2.20	76.56	0.14
Dec. 31, 2013	9.08	5 350	589	2.22	2.22	71.42	0.13
Series D							
June 30, 2018	11.39	21 573	1 895	1.37	1.37	93.51	0.17
Dec. 31, 2017	11.31	21 488	1 899	1.37	1.37	67.66	0.13
Dec. 31, 2016	10.00	18 978	1 899	1.37	1.37	72.80	0.14
Dec. 31, 2015	10.79	22 226	2 060	1.37	1.37	75.66	0.15
Dec. 31, 2014	9.39	19 646	2 092	1.37	1.37	76.56	0.14
Dec. 31, 2013	9.26	12 508	1 351	1.38	1.38	71.42	0.13
Series F							
June 30, 2018	10.53	44 219	4 199	1.08	1.08	93.51	0.17
Dec. 31, 2017	10.45	33 663	3 222	1.09	1.09	67.66	0.13
Dec. 31, 2016	9.23	20 439	2 214	1.09	1.09	72.80	0.14
Dec. 31, 2015	9.97	16 433	1 649	1.08	1.08	75.66	0.15
Dec. 31, 2014	8.67	13 703	1 580	1.08	1.08	76.56	0.14
Dec. 31, 2013	8.59	12 870	1 498	1.10	1.10	71.42	0.13



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 I							
June 30, 2018	12.35	2 638	214	0.83	0.83	93.51	0.17
Dec. 31, 2017	12.24	2 826	231	0.81	0.81	67.66	0.13
Dec. 31, 2016	10.82	16 140	1 492	0.81	0.81	72.80	0.14
Dec. 31, 2015	11.67	16 468	1 411	0.81	0.81	75.66	0.15
Dec. 31, 2014	10.17	14 023	1 379	0.81	0.81	76.56	0.14
Dec. 31, 2013	10.05	13 510	1 344	0.82	0.82	71.42	0.13
Series O							
June 30, 2018	10.13	14 424	1 423	0.02	0.02	93.51	0.17
Dec. 31, 2017	10.00	15 268	1 527	0.02	0.02	67.66	0.13
Dec. 31, 2016	8.84	15 047	1 702	0.02	0.02	72.80	0.14
Dec. 31, 2015	9.56	17 054	1 785	0.02	0.02	75.66	0.15
Dec. 31, 2014	8.32	15 947	1 917	0.02	0.02	76.56	0.14
Dec. 31, 2013	8.25	15 416	1 868	0.02	0.02	71.42	0.13

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.

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	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	—	100%
Series I	0.75%	—	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.

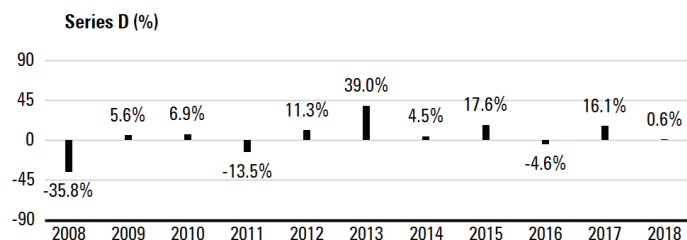
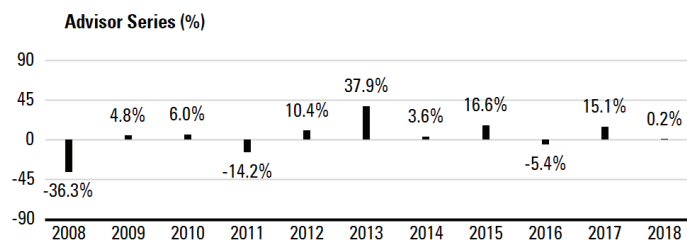
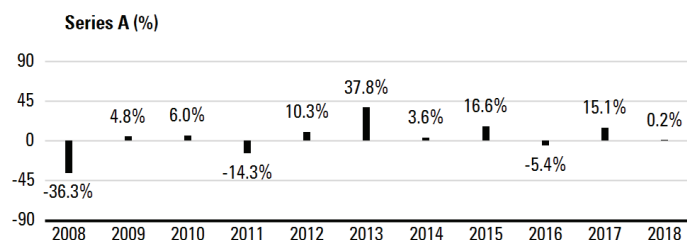


PAST PERFORMANCE

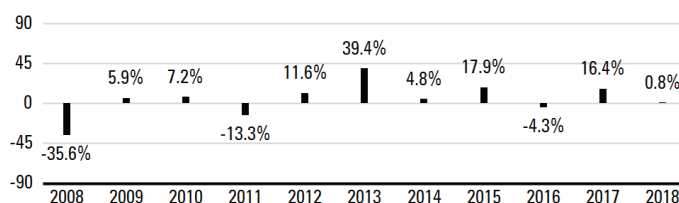
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

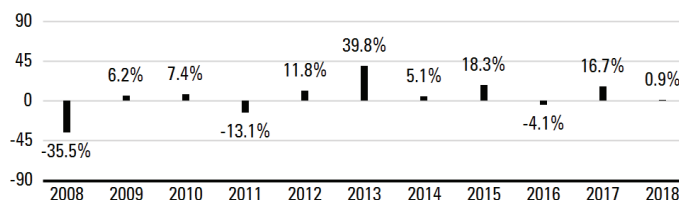
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



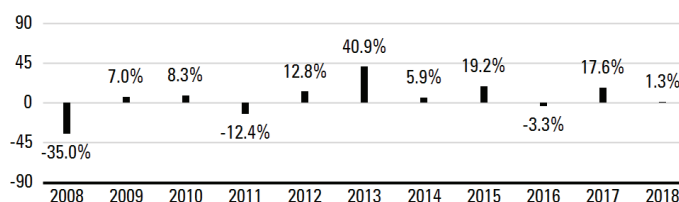
Series F (%)



Series I (%)



Series O (%)



Inception dates are not provided for series that have been in existence for more than 10 years.

Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016.

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
Japan	23.6
United Kingdom	13.8
Australia	11.7
France	5.9
Germany	5.4
Norway	4.7
Sweden	3.6
Switzerland	2.9
Israel	2.5
Finland	2.4
New Zealand	1.2
Other Countries	21.9
Cash/Other	0.4

Top 25 Holdings

	% of Net Asset Value
Fiat Chrysler Automobiles N.V.	2.4
Astellas Pharma Inc.	2.4
Novo Nordisk A/S	2.3
ENI S.p.A.	1.9
GN Store Nord A/S	1.6
Insurance Australia Group Ltd.	1.5
TUI AG	1.4
Harel Insurance Investments & Financial Services Ltd.	1.4
Whitehaven Coal Ltd.	1.4
EXOR N.V.	1.4
Royal Unibrew A/S	1.4
South32 Ltd.	1.4
Suzuken Co. Ltd.	1.3
Equinor ASA	1.3
Sanofi	1.3
Zurich Insurance Group AG	1.3
Royal Mail Plc.	1.3
Koninklijke Ahold Delhaize N.V.	1.2
Kanamoto Co. Ltd.	1.2
Rio Tinto Plc.	1.1
Coca-Cola HBC AG	1.1
AGL Energy Ltd.	1.1
Hitachi Ltd.	1.1
Swedish Match AB	1.1
OMV AG	1.0
Top 25 Holdings	35.9

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.



INTERNATIONAL EQUITY FUND

RBC EUROPEAN DIVIDEND FUND

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

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 total returns consisting of regular dividend income and modest capital growth.

To achieve its objective, the Fund invests primarily in preferred equity securities of major European companies with above-average dividend yields. The Fund's investment process is primarily based on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

Results of Operations

The Fund's net asset value was \$141 million as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 2.3%. 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.

European equities finished the first half of 2018 essentially flat as stock markets around the globe felt the effects of a rise in protectionist trade policies pursued by U.S. President Trump and the installation in Italy of a populist political coalition that plans to boost government spending. Brexit-centred uncertainty persisted from both a political and business perspective, with economic growth in the U.K. continuing to lag the rest of Europe. Another negative for European stocks was that a surge in economic growth predicted for the region has not materialized, although regional stocks did recover somewhat from significant declines early in the period.

At the sector level, Energy was the strongest performer as a steady rise in oil prices buoyed company earnings. The Telecommunication Services sector was the worst performer. The Fund's overweight position in the Energy sector was the biggest contributor to performance, whereas its underweight position in Information Technology held back returns the most.

At the stock level, Norwegian company TGS-NOPEC was the biggest contributor. Rising oil prices have resulted in accelerating orders. British American Tobacco held back the Fund's returns the most. Unfavourable regulatory change in the U.S. over the last 12 months was exacerbated by disappointing volume shipments.

Geographically, stock markets in Finland and Portugal delivered the best performance, while Belgium and Austria were both negative, as the Industrials and Telecommunication Services sectors weighed on those markets.

Recent Developments

Equity markets will likely remain volatile due more to geopolitical events than any immediate threat to corporate earnings. The sub-advisor is cognizant of challenges posed by the macroeconomic environment and remains focused on investing in companies with strong competitive positions, sustainable and/or improving profitability and good management, among other attributes.

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.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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 \$4,000 (2017 – \$8,000) or 8% (2017 – 7%) 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	11.69	0.30	(0.12)	0.07	(0.52)	(0.27)	—	(0.21)	—	—	(0.21)	11.22
Dec. 31, 2017	10.56	0.41	(0.24)	(0.25)	1.38	1.30	—	(0.21)	—	—	(0.21)	11.69
Dec. 31, 2016	12.46	0.43	(0.24)	(0.34)	(1.44)	(1.59)	—	(0.31)	—	—	(0.31)	10.56
Dec. 31, 2015	10.16	0.33	(0.26)	0.08	1.64	1.79	—	(0.02)	—	—	(0.02)	12.46
Dec. 31, 2014 ³	10.00 [†]	0.04	(0.09)	(0.02)	0.07	—	—	—	—	—	—	10.16
Advisor Series												
June 30, 2018	11.70	0.30	(0.12)	0.07	(0.52)	(0.27)	—	(0.21)	—	—	(0.21)	11.22
Dec. 31, 2017	10.57	0.41	(0.24)	(0.25)	1.17	1.09	—	(0.21)	—	—	(0.21)	11.70
Dec. 31, 2016	12.47	0.42	(0.25)	(0.34)	(1.58)	(1.75)	—	(0.30)	—	—	(0.30)	10.57
Dec. 31, 2015	10.16	0.33	(0.27)	0.08	1.60	1.74	—	(0.01)	—	—	(0.01)	12.47
Dec. 31, 2014 ³	10.00 [†]	0.04	(0.09)	(0.02)	0.07	—	—	—	—	—	—	10.16
Series D												
June 30, 2018	11.79	0.30	(0.07)	0.07	(0.54)	(0.24)	—	(0.26)	—	—	(0.26)	11.31
Dec. 31, 2017	10.63	0.42	(0.14)	(0.25)	1.21	1.24	—	(0.28)	—	—	(0.28)	11.79
Dec. 31, 2016	12.47	0.43	(0.15)	(0.34)	(1.63)	(1.69)	—	(0.33)	—	—	(0.33)	10.63
Dec. 31, 2015	10.17	0.34	(0.16)	0.08	1.65	1.91	—	(0.13)	—	—	(0.13)	12.47
Dec. 31, 2014 ³	10.00 [†]	0.04	(0.06)	(0.02)	0.07	0.03	—	(0.02)	—	—	(0.02)	10.17
Series F												
June 30, 2018	11.85	0.30	(0.06)	0.07	(0.52)	(0.21)	—	(0.28)	—	—	(0.28)	11.37
Dec. 31, 2017	10.68	0.40	(0.12)	(0.24)	0.67	0.71	—	(0.31)	—	—	(0.31)	11.85
Dec. 31, 2016	12.50	0.43	(0.12)	(0.34)	(2.14)	(2.17)	—	(0.34)	—	—	(0.34)	10.68
Dec. 31, 2015	10.19	0.33	(0.13)	0.08	1.64	1.92	—	(0.16)	—	—	(0.16)	12.50
Dec. 31, 2014 ³	10.00 [†]	0.04	(0.05)	(0.02)	0.06	0.03	—	(0.01)	—	—	(0.01)	10.19
Series O												
June 30, 2018	12.25	0.31	—	0.08	(0.51)	(0.12)	—	(0.34)	—	—	(0.34)	11.75
Dec. 31, 2017	11.02	0.43	(0.01)	(0.26)	1.31	1.47	—	(0.41)	—	—	(0.41)	12.25
Dec. 31, 2016	12.80	0.44	(0.01)	(0.35)	(1.63)	(1.55)	—	(0.38)	—	—	(0.38)	11.02
Dec. 31, 2015	10.44	0.37	(0.01)	0.09	1.82	2.27	—	(0.30)	—	—	(0.30)	12.80
Dec. 31, 2014 ⁴	10.02 [†]	0.30	(0.01)	(0.15)	0.44	0.58	—	(0.09)	—	—	(0.09)	10.44

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 August 11, 2014.

⁴ From October 29, 2012. Although Series O units of the Fund were created in October 2012, units were not offered for sale under a simplified prospectus until August 11, 2014.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	11.22	30 015	2 676	2.10	2.10	35.90	0.06
Dec. 31, 2017	11.69	31 332	2 680	2.09	2.09	33.80	0.16
Dec. 31, 2016	10.56	24 866	2 354	2.15 ⁴	2.15	55.54	0.24
Dec. 31, 2015	12.46	30 184	2 422	2.20	2.20	17.62	0.33
Dec. 31, 2014 ⁵	10.16	3 667	361	2.26	2.27	29.25	0.82
Advisor Series							
June 30, 2018	11.22	953	85	2.13	2.13	35.90	0.06
Dec. 31, 2017	11.70	1 211	104	2.11	2.11	33.80	0.16
Dec. 31, 2016	10.57	982	93	2.19 ⁴	2.19	55.54	0.24
Dec. 31, 2015	12.47	1 705	137	2.26	2.26	17.62	0.33
Dec. 31, 2014 ⁵	10.16	75	7	2.26	2.27	29.25	0.82
Series D							
June 30, 2018	11.31	3 587	317	1.27	1.27	35.90	0.06
Dec. 31, 2017	11.79	3 462	294	1.26	1.26	33.80	0.16
Dec. 31, 2016	10.63	2 762	260	1.33 ⁴	1.33	55.54	0.24
Dec. 31, 2015	12.47	4 313	346	1.36	1.36	17.62	0.33
Dec. 31, 2014 ⁵	10.17	535	53	1.41	1.42	29.25	0.82
Series F							
June 30, 2018	11.37	13 282	1 168	0.98	0.98	35.90	0.06
Dec. 31, 2017	11.85	11 429	964	0.99	0.99	33.80	0.16
Dec. 31, 2016	10.68	2 560	240	1.06 ⁴	1.06	55.54	0.24
Dec. 31, 2015	12.50	4 623	370	1.06	1.06	17.62	0.33
Dec. 31, 2014 ⁵	10.19	726	71	1.13	1.14	29.25	0.82
Series O							
June 30, 2018	11.75	92 875	7 903	0.06	0.06	35.90	0.06
Dec. 31, 2017	12.25	115 522	9 431	0.06	0.06	33.80	0.16
Dec. 31, 2016	11.02	94 843	8 604	0.06	0.06	55.54	0.24
Dec. 31, 2015	12.80	102 829	8 032	0.06	0.06	17.62	0.33
Dec. 31, 2014 ⁶	10.44	47 973	4 596	0.05	0.06	29.25	0.82

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 – 2.09%, Advisor Series – 2.12%, Series D – 1.27% and Series F – 0.99%.

⁵ From August 11, 2014.

⁶ From October 29, 2012. Although Series O units of the Fund were created in October 2012, units were not offered for sale under a simplified prospectus until August 11, 2014.



FINANCIAL HIGHLIGHTS (cont.)

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	1.75%	54%	46%
Advisor Series	1.75%	54%	46%
Series D	1.00%	23%	77%
Series F	0.75%	—	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.

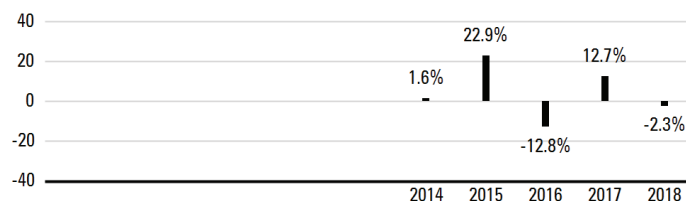
PAST PERFORMANCE

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.

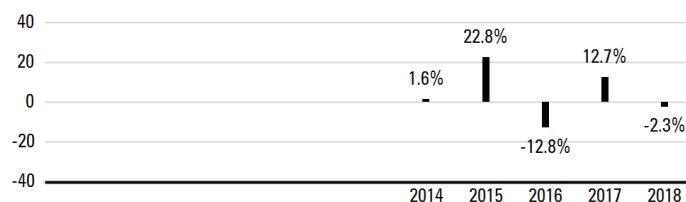
Year-by-Year Returns (%)

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.

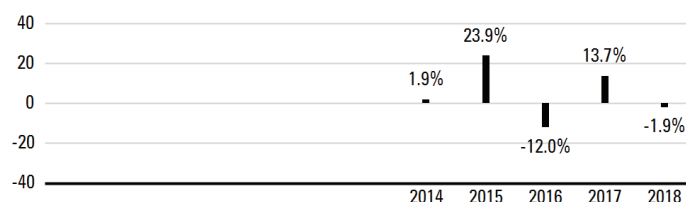
Series A (%)



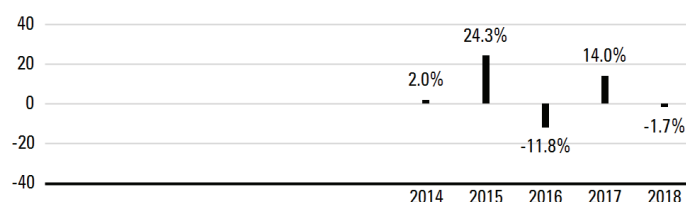
Advisor Series (%)



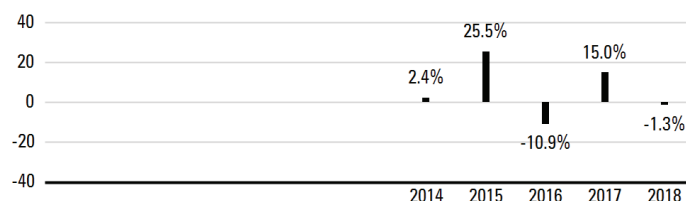
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since August 11, 2014.

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
United Kingdom	36.1
Netherlands	12.9
Switzerland	10.6
France	10.2
Germany	7.4
Italy	5.1
Sweden	5.1
Finland	4.8
Norway	2.6
Denmark	2.4
Cash/Other	2.8

Top 25 Holdings

	% of Net Asset Value
Unilever N.V.	4.0
Relx N.V.	3.9
Roche Holdings AG Genusscheine	3.8
Royal Dutch Shell Plc., B Shares	3.8
ING Groep N.V.	3.5
British American Tobacco Plc.	3.3
Total S.A.	3.1
Novartis AG	3.1
Reckitt Benckiser Plc.	2.7
Cash & Cash Equivalents	2.7
Rio Tinto Plc.	2.6
TGS Nopec Geophysical Co. ASA	2.6
Rubis SCA	2.4
Nordbanken Holding AB	2.4
Siemens AG	2.3
London Stock Exchange Group Plc.	2.2
Legal & General Group Plc.	2.2
UBS Group AG	2.1
BAE Systems Plc.	2.0
Banca Generali S.p.A.	2.0
Ibstock Plc.	2.0
UniCredit S.p.A.	1.9
Fortum OYJ	1.9
Burberry Group Plc.	1.9
Continental AG	1.9
Top 25 Holdings	66.3

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.



INTERNATIONAL EQUITY FUND

RBC EUROPEAN EQUITY FUND

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

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 pursues long-term capital growth by investing primarily in European stocks.

The Fund provides exposure to growth opportunities in the European economy and diversification benefits beyond North America.

The portfolio manager reviews the economic outlook for Europe and then selects stocks based on fundamental, technical and quantitative inputs. The Fund is managed to limit risk by spreading investments across different industries. The Fund may also invest in debt securities issued or guaranteed by European governments and international agencies.

Results of Operations

The Fund's net asset value was \$6.8 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 0.5%. 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.

European equities finished the first half of 2018 essentially flat as stock markets around the globe felt the effects of a rise in protectionist trade policies pursued by U.S. President Trump and the installation in Italy of a populist political coalition that plans to boost government spending. Brexit-centred uncertainty persisted from both a political and business perspective, with economic growth in the U.K. continuing to lag the rest of Europe. Another negative for European stocks was that a surge in economic growth predicted for the region has not materialized, although regional stocks did recover somewhat from significant declines early in the period.

At the sector level, Energy was the strongest performer as a steady rise in oil prices buoyed company earnings, while the Telecommunication Services sector was the worst performer amid an increase in bond yields. The Fund's lack of relative exposure to the poorly performing Financials sector was the biggest contributor to returns, while a smaller allocation to Health Care held back performance.

At the stock level, London Stock Exchange contributed the most to relative performance. Growth in over-the-counter clearing by stock exchanges and the expanded use of exchange-traded funds are slated to deliver relatively stable earnings streams in coming years. Shares of Pandora, a Danish jewellery company, hurt the Fund's returns the most as sales growth in China slowed and profits declined.

Geographically, stock markets in Finland and Portugal delivered the best performance, while Belgium and Austria were both negative, as the Industrials and Telecommunication Services sectors weighed on those markets.

Recent Developments

Equity markets will likely remain volatile due more to geopolitical events than any immediate threat to corporate earnings. The sub-advisor is cognizant of challenges posed by the macroeconomic environment and remains focused on investing in companies with strong competitive positions, sustainable and/or improving profitability and good management, among other attributes.

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.

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Distributors

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Custodian

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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 \$168,000 (2017 – \$322,000) or 3% (2017 – 4%) 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	Total	
Series A												
June 30, 2018	23.52	0.47	(0.25)	0.23	(0.57)	(0.12)	—	—	—	—	—	23.39
Dec. 31, 2017	20.55	0.56	(0.49)	1.24	2.48	3.79	—	(0.04)	(0.78)	—	(0.82)	23.52
Dec. 31, 2016	23.87	0.55	(0.48)	0.32	(3.47)	(3.08)	—	(0.04)	(0.26)	—	(0.30)	20.55
Dec. 31, 2015	19.22	0.51	(0.50)	0.18	4.35	4.54	—	—	—	—	—	23.87
Dec. 31, 2014	21.05	0.48	(0.48)	2.12	(2.00)	0.12	—	(0.05)	(1.83)	—	(1.88)	19.22
Dec. 31, 2013	15.45	0.46	(0.41)	1.42	4.16	5.63	—	(0.05)	—	—	(0.05)	21.05
Advisor Series												
June 30, 2018	23.87	0.48	(0.24)	0.23	(0.64)	(0.17)	—	—	—	—	—	23.75
Dec. 31, 2017	20.85	0.57	(0.48)	1.26	2.28	3.63	—	(0.05)	(0.79)	—	(0.84)	23.87
Dec. 31, 2016	24.21	0.56	(0.47)	0.32	(3.81)	(3.40)	—	(0.06)	(0.26)	—	(0.32)	20.85
Dec. 31, 2015	19.47	0.51	(0.49)	0.19	4.37	4.58	—	—	—	—	—	24.21
Dec. 31, 2014	21.28	0.47	(0.47)	2.11	(2.00)	0.11	—	(0.05)	(1.83)	—	(1.88)	19.47
Dec. 31, 2013	15.60	0.46	(0.43)	1.44	4.23	5.70	—	(0.03)	—	—	(0.03)	21.28
Series T5												
June 30, 2018	23.43	0.46	(0.24)	0.23	(1.05)	(0.60)	—	(0.29)	—	(0.29)	(0.58)	22.73
Dec. 31, 2017 ³	21.02 [†]	0.47	(0.41)	1.03	(0.45)	0.64	—	(0.06)	(0.38)	(0.44)	(0.88)	23.43
Series D												
June 30, 2018	23.81	0.48	(0.15)	0.23	(0.61)	(0.05)	—	—	—	—	—	23.79
Dec. 31, 2017	20.81	0.57	(0.30)	1.26	2.33	3.86	—	(0.25)	(0.79)	—	(1.04)	23.81
Dec. 31, 2016	24.16	0.56	(0.28)	0.32	(3.57)	(2.97)	—	(0.23)	(0.27)	—	(0.50)	20.81
Dec. 31, 2015	19.41	0.51	(0.29)	0.19	4.39	4.80	—	(0.18)	—	—	(0.18)	24.16
Dec. 31, 2014	21.16	0.48	(0.27)	2.14	(2.02)	0.33	—	(0.19)	(1.82)	—	(2.01)	19.41
Dec. 31, 2013	15.49	0.46	(0.23)	1.43	4.19	5.85	—	(0.18)	—	—	(0.18)	21.16
Series F												
June 30, 2018	25.31	0.51	(0.12)	0.25	(0.61)	0.03	—	—	—	—	—	25.33
Dec. 31, 2017	22.14	0.61	(0.24)	1.35	2.44	4.16	—	(0.35)	(0.85)	—	(1.20)	25.31
Dec. 31, 2016	25.69	0.59	(0.22)	0.34	(3.67)	(2.96)	—	(0.31)	(0.28)	—	(0.59)	22.14
Dec. 31, 2015	20.64	0.54	(0.24)	0.19	4.60	5.09	—	(0.28)	—	—	(0.28)	25.69
Dec. 31, 2014	22.47	0.50	(0.22)	2.22	(2.10)	0.40	—	(0.24)	(1.94)	—	(2.18)	20.64
Dec. 31, 2013	16.37	0.49	(0.20)	1.51	4.45	6.25	—	(0.15)	—	—	(0.15)	22.47
Series FT5												
June 30, 2018	24.99	0.49	(0.12)	0.24	(0.74)	(0.13)	—	(0.62)	—	—	(0.62)	24.37
Dec. 31, 2017 ³	22.68 [†]	0.50	(0.20)	1.12	(0.30)	1.12	(0.01)	(0.25)	(1.24)	—	(1.50)	24.99



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	Total	
		Series 0										
June 30, 2018	23.99	0.48	—	0.24	(0.57)	0.15	—	—	—	—	—	24.12
Dec. 31, 2017	20.99	0.58	(0.01)	1.28	2.56	4.41	—	(0.57)	(0.81)	—	(1.38)	23.99
Dec. 31, 2016	24.38	0.56	—	0.32	(3.40)	(2.52)	—	(0.50)	(0.28)	—	(0.78)	20.99
Dec. 31, 2015	19.59	0.52	(0.01)	0.19	4.47	5.17	—	(0.50)	—	—	(0.50)	24.38
Dec. 31, 2014	21.36	0.48	—	2.12	(2.01)	0.59	—	(0.45)	(1.85)	—	(2.30)	19.59
Dec. 31, 2013	15.66	0.47	—	1.45	4.25	6.17	—	(0.47)	—	—	(0.47)	21.36

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	23.39	246 682	10 545	2.15	2.15	43.17	0.17
Dec. 31, 2017	23.52	261 879	11 136	2.15	2.15	45.32	0.19
Dec. 31, 2016	20.55	243 312	11 838	2.21 ⁴	2.21	39.18	0.27
Dec. 31, 2015	23.87	322 635	13 517	2.26	2.26	20.57	0.18
Dec. 31, 2014	19.22	258 306	13 441	2.26	2.26	67.36	0.43
Dec. 31, 2013	21.05	262 203	12 459	2.27	2.27	51.92	0.31
Advisor Series							
June 30, 2018	23.75	8 782	370	2.07	2.07	43.17	0.17
Dec. 31, 2017	23.87	8 753	367	2.06	2.06	45.32	0.19
Dec. 31, 2016	20.85	6 951	333	2.12 ⁴	2.12	39.18	0.27
Dec. 31, 2015	24.21	11 011	455	2.16	2.16	20.57	0.18
Dec. 31, 2014	19.47	5 469	281	2.19	2.19	67.36	0.43
Dec. 31, 2013	21.28	2 946	138	2.23	2.23	51.92	0.31
Series T5							
June 30, 2018	22.73	435	19	2.14	2.14	43.17	0.17
Dec. 31, 2017 ⁵	23.43	23	1	2.12	2.12	45.32	0.19
Series D							
June 30, 2018	23.79	34 562	1 453	1.26	1.26	43.17	0.17
Dec. 31, 2017	23.81	31 908	1 340	1.27	1.27	45.32	0.19
Dec. 31, 2016	20.81	23 828	1 145	1.27	1.27	39.18	0.27
Dec. 31, 2015	24.16	31 091	1 287	1.27	1.27	20.57	0.18
Dec. 31, 2014	19.41	15 966	822	1.27	1.27	67.36	0.43
Dec. 31, 2013	21.16	15 483	732	1.28	1.28	51.92	0.31
Series F							
June 30, 2018	25.33	86 553	3 417	0.97	0.97	43.17	0.17
Dec. 31, 2017	25.31	69 135	2 731	0.96	0.96	45.32	0.19
Dec. 31, 2016	22.14	38 212	1 726	0.96	0.96	39.18	0.27
Dec. 31, 2015	25.69	38 181	1 486	0.96	0.96	20.57	0.18
Dec. 31, 2014	20.64	8 937	433	0.97	0.97	67.36	0.43
Dec. 31, 2013	22.47	1 651	73	1.00	1.00	51.92	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	24.37	359	15	1.01	1.01	43.17	0.17
Dec. 31, 2017 ⁵	24.99	87	3	0.95	0.95	45.32	0.19
Series O							
June 30, 2018	24.12	6 373 596	264 196	0.02	0.02	43.17	0.17
Dec. 31, 2017	23.99	6 633 225	276 457	0.02	0.02	45.32	0.19
Dec. 31, 2016	20.99	5 836 619	278 098	0.02	0.02	39.18	0.27
Dec. 31, 2015	24.38	5 489 488	225 139	0.02	0.02	20.57	0.18
Dec. 31, 2014	19.59	3 659 903	186 781	0.02	0.02	67.36	0.43
Dec. 31, 2013	21.36	2 737 024	128 123	0.02	0.02	51.92	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 and Advisor Series 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 – 2.15% and Advisor Series – 2.06%.

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	1.75%	62%	38%
Advisor Series	1.75%	62%	38%
Series T5	1.75%	57%	43%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%
Series FT5	0.75%	—	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.

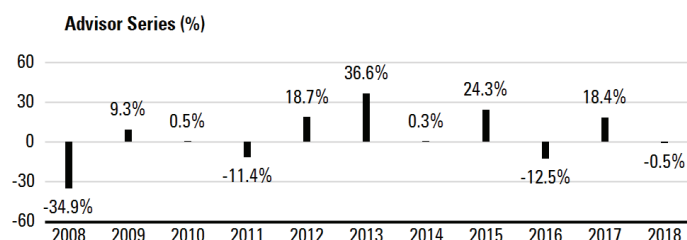
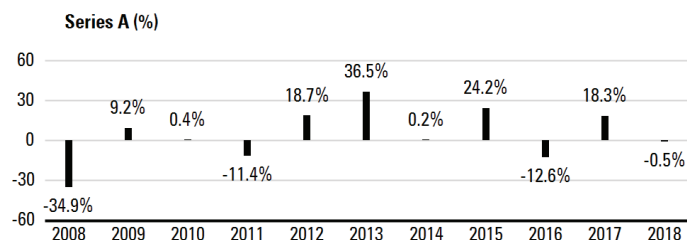


PAST PERFORMANCE

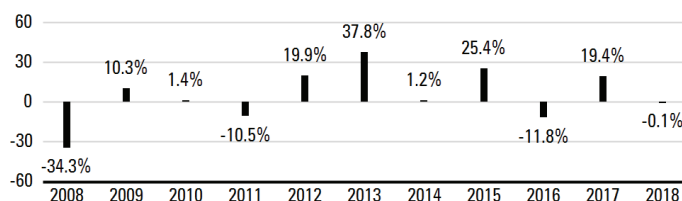
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

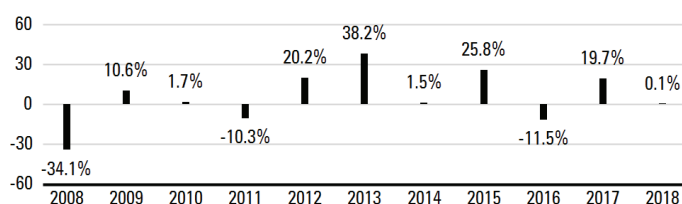
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series D (%)



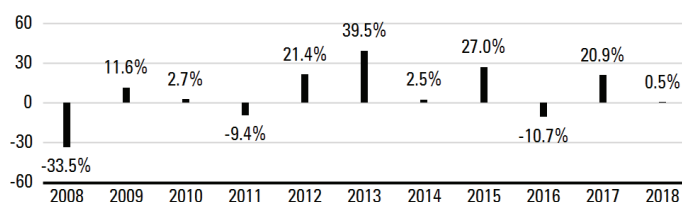
Series F (%)



Series FT5 (%)



Series O (%)



Series T5 and Series FT5 units have been available for sale to unitholders since February 15, 2017, and Series O units since January 1, 2008.

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
United Kingdom	36.6
Germany	13.2
Netherlands	11.6
Ireland	8.5
Denmark	7.1
Switzerland	5.3
Sweden	4.8
France	4.3
Finland	2.8
Spain	2.6
Italy	1.8
Cash/Other	1.4

Top 25 Holdings

	% of Net Asset Value
Unilever Plc.	5.6
Relx N.V.	5.2
Royal Dutch Shell Plc., A Shares	4.5
Novo Nordisk A/S	4.3
London Stock Exchange Group Plc.	3.9
Diageo Plc.	3.9
Heineken N.V.	3.9
Ryanair Holdings Plc. ADR	3.3
Paddy Power Betfair Plc.	3.0
LVMH Louis Vuitton Moët-Hennessy	2.9
SAP SE	2.8
Sampo OYJ	2.8
Schroders Plc.	2.7
Bayer AG	2.5
Roche Holdings AG Genusscheine	2.4
Lloyds TSB Group Plc.	2.3
The Sage Group Plc.	2.3
CRH Plc.	2.1
Burberry Group Plc.	2.1
Henkel KGaA, Preferred Non-Voting	2.0
Barratt Developments Plc.	1.9
Ashtead Group Plc.	1.9
Grifols S.A.	1.9
Continental AG	1.9
Sika AG	1.9
Top 25 Holdings	74.0

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.



INTERNATIONAL EQUITY FUND

**RBC EUROPEAN MID-CAP
EQUITY FUND**

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

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 European mid-cap companies. The Fund provides exposure to growth opportunities in the European economy and diversification benefits beyond North America.

Results of Operations

The Fund's net asset value was \$20 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 4.8%. 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.

European equities finished the first half of 2018 essentially flat as stock markets around the globe felt the effects of a rise in protectionist trade policies pursued by U.S. President Trump and the installation in Italy of a populist political coalition that plans to boost government spending. Brexit-centred uncertainty persisted from both a political and business perspective, with economic growth in the U.K. continuing to lag the rest of Europe. Another negative for European stocks was that a surge in economic growth predicted for the region has not materialized, although regional stocks did recover somewhat from significant declines early in the period.

The Fund's overweight position in the Industrials sector was the biggest contributor to performance, while an overweight position in the Information Technology sector held back returns the most. At the stock level, Italian luxury-clothing company Moncler contributed the most to relative returns as the company beat earnings expectations in part due to one-time factors such as a particularly cold European winter.

The U.K. software company Micro Focus International held back the Fund's returns the most after the departure of the chief executive just months into the role and a warning that revenue was declining faster than expected.

Geographically, stock markets in Finland and Sweden delivered the best performance, while Ireland and Austria were both negative as the Financials sector weighed on those markets.

Recent Developments

Equity markets will likely remain volatile due more to geopolitical events than any immediate threat to corporate earnings. The sub-advisor is cognizant of challenges posed by the macroeconomic environment and remains focused on investing in companies with strong competitive positions, sustainable and/or improving profitability and good management, among other attributes.

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.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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 \$0 (2017 – \$1,000) or 0% (2017 – 10%) 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	Total		
Series A													
June 30, 2018	11.64	0.18	(0.13)	(0.02)	0.58	0.61	—	—	—	—	—	12.20	
Dec. 31, 2017	9.44	0.20	(0.24)	—	1.60	1.56	—	—	—	—	—	11.64	
Dec. 31, 2016 ³	10.00 [†]	0.04	(0.05)	0.02	(0.03)	(0.02)	—	—	—	—	—	9.44	
Advisor Series													
June 30, 2018	11.67	0.17	(0.12)	(0.02)	0.64	0.67	—	—	—	—	—	12.23	
Dec. 31, 2017	9.45	0.22	(0.22)	—	1.93	1.93	—	—	—	—	—	11.67	
Dec. 31, 2016 ³	10.00 [†]	0.04	(0.05)	0.02	(0.56)	(0.55)	—	—	—	—	—	9.45	
Series D													
June 30, 2018	11.77	0.18	(0.08)	(0.02)	0.50	0.58	—	—	—	—	—	12.39	
Dec. 31, 2017	9.46	0.21	(0.14)	—	1.99	2.06	—	—	—	—	—	11.77	
Dec. 31, 2016 ³	10.00 [†]	0.04	(0.03)	0.02	0.31	0.34	—	—	—	—	—	9.46	
Series F													
June 30, 2018	11.82	0.18	(0.06)	(0.02)	0.47	0.57	—	—	—	—	—	12.46	
Dec. 31, 2017	9.47	0.18	(0.11)	—	1.88	1.95	—	—	—	—	—	11.82	
Dec. 31, 2016 ³	10.00 [†]	0.04	(0.02)	0.02	(0.57)	(0.53)	—	—	—	—	—	9.47	
Series O													
June 30, 2018	11.12	0.17	—	(0.02)	0.53	0.68	—	—	—	—	—	11.78	
Dec. 31, 2017	8.86	0.21	(0.01)	—	1.90	2.10	—	(0.04)	—	—	(0.04)	11.12	
Dec. 31, 2016 ⁴	9.78 [†]	0.18	—	0.10	(1.26)	(0.98)	—	—	—	—	—	8.86	

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 September 26, 2016.

⁴ Although Series O units of the Fund were created in October 2012, units were not offered for sale under a simplified prospectus until June 30, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	12.20	941	77	2.14	2.15	4.79	0.32
Dec. 31, 2017	11.64	496	43	2.18	2.22	2.60	0.24
Dec. 31, 2016 ⁴	9.44	11	1	2.15	2.18	13.61	0.18
Advisor Series							
June 30, 2018	12.23	1 893	155	2.00	2.01	4.79	0.32
Dec. 31, 2017	11.67	120	10	2.01	2.05	2.60	0.24
Dec. 31, 2016 ⁴	9.45	1	—	2.15	2.18	13.61	0.18
Series D							
June 30, 2018	12.39	1 100	89	1.27	1.28	4.79	0.32
Dec. 31, 2017	11.77	490	42	1.25	1.29	2.60	0.24
Dec. 31, 2016 ⁴	9.46	50	5	1.30	1.33	13.61	0.18
Series F							
June 30, 2018	12.46	954	77	0.96	0.97	4.79	0.32
Dec. 31, 2017	11.82	294	25	0.96	1.00	2.60	0.24
Dec. 31, 2016 ⁴	9.47	1	—	1.02	1.05	13.61	0.18
Series O							
June 30, 2018	11.78	15 182	1 289	0.02	0.03	4.79	0.32
Dec. 31, 2017	11.12	9 399	845	0.02	0.06	2.60	0.24
Dec. 31, 2016 ⁵	8.86	4 128	466	0.02	0.05	13.61	0.18

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 From September 26, 2016.

⁵ Although Series O units of the Fund were created in October 2012, units were not offered for sale under a simplified prospectus until June 30, 2016.

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	1.75%	57%	43%
Advisor Series	1.75%	57%	43%
Series D	1.00%	25%	75%
Series F	0.75%	—	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.

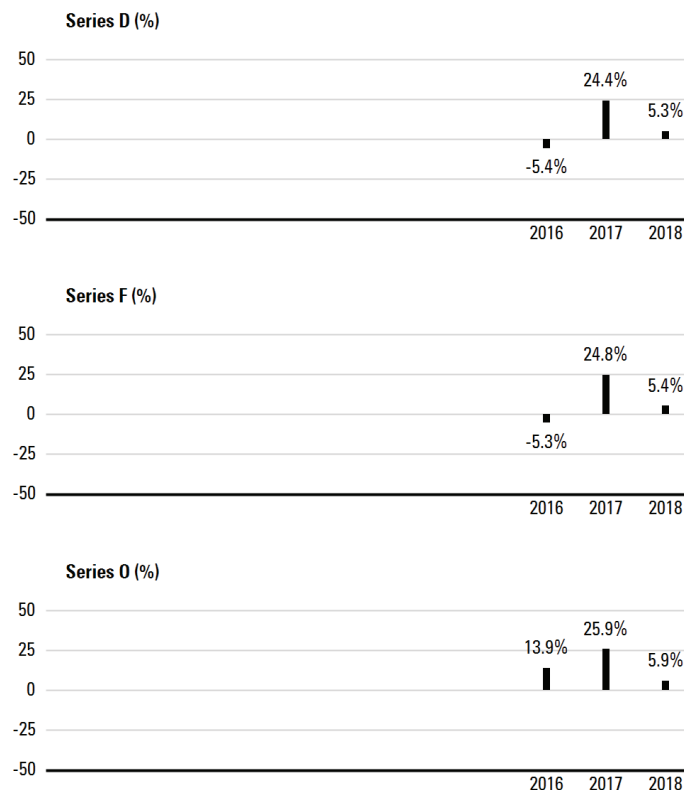
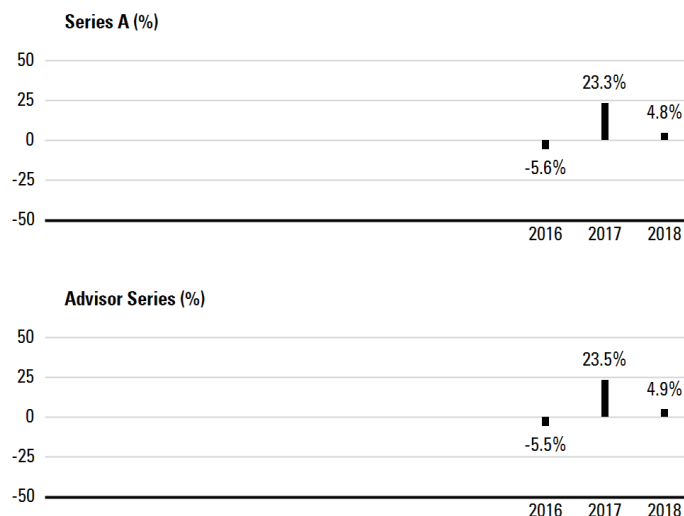


PAST PERFORMANCE

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 A, Advisor Series, Series D and Series F units have been available for sale to unitholders since September 26, 2016, and Series O units since June 30, 2016.

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
United Kingdom	40.2
Denmark	8.7
Ireland	7.9
Switzerland	7.9
Spain	6.3
France	6.2
Sweden	4.8
Germany	4.6
Italy	4.6
Norway	3.4
Netherlands	1.2
Cash/Other	4.2

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	4.0
Paddy Power Betfair Plc.	3.2
InterContinental Hotels Group Plc.	2.7
Ryanair Holdings Plc. ADR	2.7
Moncler S.p.A.	2.6
Virgin Money Holdings UK Plc.	2.5
London Stock Exchange Group Plc.	2.5
Ashtead Group Plc.	2.4
Cranswick Plc.	2.3
Fevertree Drinks Plc.	2.3
Topdanmark A/S	2.2
Howden Joinery Group Plc.	2.2
Christian Hansen Holding A/S	2.2
Red Electrica Corp. S.A.	2.2
Cie Generale D'Optique Essilor International S.A.	2.1
Kerry Group Plc.	2.1
Viscofan S.A.	2.1
VAT Group AG	2.1
TGS Nopec Geophysical Co. ASA	2.1
Grifols S.A.	2.1
Playtech Plc.	2.0
Sika AG	2.0
Recordati S.p.A.	2.0
Rightmove Plc.	2.0
DCC Plc.	1.9
Top 25 Holdings	58.5

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.



INTERNATIONAL EQUITY FUND

RBC ASIAN EQUITY FUND

June 30, 2018

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

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China

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 in equity securities of companies located in or having a principal business interest in Asian markets such as Japan, Hong Kong, Taiwan, South Korea, Singapore, China and Australia, either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called “underlying funds”).

To achieve its investment objective, the Fund selects underlying funds from the RBC Funds family or PH&N Funds family, including the RBC Asia Pacific ex-Japan Equity Fund and the RBC Japanese Equity Fund, that focus on Asian sectors and themes and diversify their holdings across the region to reduce risk.

Results of Operations

The Fund’s net asset value was \$81 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units gained 2.9%. 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.

The allocations to Japanese equities and to Asian equities excluding Japan had a positive impact on the Fund’s performance. The segment that invests in Asian equities outperformed.

Asian-Pacific markets declined in the first half of 2018 as global trade tensions intensified and regional central banks raised interest rates to defend the value of their currencies against rate increases by the U.S. Federal Reserve (the “Fed”). Stock markets in Australia and India outperformed markets in Southeast Asia, such as the Philippines and Indonesia. Stocks were also held back as President Trump amplified his trade threats, leading to a leg down toward the end of the second quarter. The Japanese yen strengthened versus the U.S. dollar in the first half of 2018. Some investors perceive yen weakness as a negative for the Japanese exporters that dominate the country’s large-capitalization stocks.

In the Fund’s Asia-Pacific holding, the Health Care and Consumer sectors performed well, while Telecommunication Services and Industrials underperformed. CSL, which uses proteins derived from blood plasma to treat a range of conditions, was the Fund’s best-performing stock during the period. Conversely, the stock that hurt the Fund’s returns the most was Nexteer, an automotive-components company. The stock’s decline was due to concerns that trade tension between China and the U.S. would have a negative impact on the auto industry. During the first half of the year, the Fund initiated a position in Bank of China, one of the “big four” Chinese banks. Among Chinese financial institutions, Bank of China carries less

credit risk and relatively small exposure to unsecured, high-yielding savings instruments known as wealth-management products. Bank of China is also less exposed to rising U.S. interest rates given its Hong Kong operation.

In the Japanese portion of the Fund, returns benefited from stock selection in the Consumer Discretionary and Health Care sectors. Cyberagent, a gaming and internet-advertising company, was one of the top contributors to the Fund’s performance as it gained market share. PeptiDream, a biopharmaceuticals company, also contributed to returns as it continued to reach agreements to collaborate with some of the world’s largest drug producers. During the period, the Fund initiated a position in Rohm, a semiconductor maker tied to the fast-growing areas of electric vehicles, industrial machinery and consumer electronics. To fund this position, the portfolio manager sold holdings in Kajima, a general contractor.

Recent Developments

The portfolio manager expects Asian equity markets to remain volatile as global trade tensions increase, inflation risks climb and political instability rises in Europe. Interest-rate increases by the Fed and creeping inflation have been accompanied by monetary tightening across the region, with India, Indonesia, South Korea and Hong Kong recently raising interest rates. The portfolio manager expects economic growth in China to slow as economy-wide debt declines. The outlook for long-term growth remains good in India and Vietnam.

Data in recent months shows that the Japanese economy has rebounded from a soft patch in the first quarter. Economic momentum, however, has been weaker than expected, with a widely watched survey of manufacturers’ confidence declining in May versus April. The recent stabilization of Prime Minister Shinzo Abe’s approval ratings suggests a higher probability that he will remain in office. The portfolio manager believes that the Bank of Japan will continue to keep interest rates at extremely low levels given that inflation doesn’t appear to be a threat.

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.

Sub-Advisor

RBC Investment Management (Asia) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.

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	Total		
Series A													
June 30, 2018	12.47	—	(0.13)	0.08	0.41	0.36	—	—	—	—	—	12.84	
Dec. 31, 2017	10.02	0.17	(0.22)	0.46	2.06	2.47	—	—	—	—	—	12.47	
Dec. 31, 2016	10.18	0.15	(0.20)	0.42	(0.53)	(0.16)	—	—	—	—	—	10.02	
Dec. 31, 2015	8.62	0.13	(0.20)	2.68	0.25	2.86	—	(0.07)	—	—	(0.07)	10.18	
Dec. 31, 2014	8.50	0.43	(0.18)	8.67	(9.66)	(0.74)	(0.01)	(0.02)	—	—	(0.03)	8.62	
Dec. 31, 2013	7.14	0.21	(0.18)	0.62	0.74	1.39	—	(0.02)	—	—	(0.02)	8.50	
Advisor Series													
June 30, 2018	12.52	—	(0.13)	0.08	0.26	0.21	—	—	—	—	—	12.88	
Dec. 31, 2017	10.06	0.17	(0.23)	0.47	2.03	2.44	—	—	—	—	—	12.52	
Dec. 31, 2016	10.21	0.15	(0.20)	0.42	(0.61)	(0.24)	—	—	—	—	—	10.06	
Dec. 31, 2015	8.65	0.13	(0.21)	2.64	0.25	2.81	—	(0.07)	—	—	(0.07)	10.21	
Dec. 31, 2014	8.53	0.43	(0.19)	8.64	(9.63)	(0.75)	(0.01)	(0.02)	—	—	(0.03)	8.65	
Dec. 31, 2013	7.16	0.21	(0.18)	0.62	0.74	1.39	—	(0.02)	—	—	(0.02)	8.53	
Series D													
June 30, 2018	12.79	—	(0.08)	0.08	0.35	0.35	—	—	—	—	—	13.22	
Dec. 31, 2017	10.20	0.18	(0.13)	0.47	2.02	2.54	—	—	—	—	—	12.79	
Dec. 31, 2016	10.26	0.15	(0.12)	0.43	(0.53)	(0.07)	—	—	—	—	—	10.20	
Dec. 31, 2015	8.69	0.13	(0.11)	2.71	0.25	2.98	(0.01)	(0.16)	—	—	(0.17)	10.26	
Dec. 31, 2014	8.57	0.44	(0.10)	8.78	(9.78)	(0.66)	(0.03)	(0.09)	—	—	(0.12)	8.69	
Dec. 31, 2013	7.20	0.21	(0.10)	0.63	0.75	1.49	—	(0.10)	—	—	(0.10)	8.57	
Series F													
June 30, 2018	13.92	—	(0.06)	0.08	0.37	0.39	—	—	—	—	—	14.41	
Dec. 31, 2017	11.07	0.19	(0.11)	0.52	2.08	2.68	—	—	—	—	—	13.92	
Dec. 31, 2016	11.11	0.16	(0.10)	0.47	(0.91)	(0.38)	—	—	—	—	—	11.07	
Dec. 31, 2015	9.41	0.15	(0.10)	3.25	0.30	3.60	(0.01)	(0.20)	—	—	(0.21)	11.11	
Dec. 31, 2014	9.23	0.43	(0.09)	8.61	(9.60)	(0.65)	(0.02)	(0.07)	—	—	(0.09)	9.41	
Dec. 31, 2013	7.76	0.23	(0.09)	0.68	0.81	1.63	—	(0.15)	—	—	(0.15)	9.23	
Series O													
June 30, 2018	12.89	—	—	0.08	0.43	0.51	—	—	—	—	—	13.40	
Dec. 31, 2017	10.16	0.18	—	0.48	1.91	2.57	—	—	—	—	—	12.89	
Dec. 31, 2016	10.11	0.14	—	0.41	(3.61)	(3.06)	—	—	—	—	—	10.16	
Dec. 31, 2015	8.56	0.07	—	1.40	0.13	1.60	(0.01)	(0.27)	—	—	(0.28)	10.11	
Dec. 31, 2014	8.63	0.14	—	2.81	(3.13)	(0.18)	(0.10)	(0.34)	—	—	(0.44)	8.56	
Dec. 31, 2013	7.24	0.21	—	0.64	0.76	1.61	—	(0.20)	—	—	(0.20)	8.63	

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.



FINANCIAL HIGHLIGHTS (cont.)

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	12.84	61 321	4 777	2.00	2.00	8.09	0.24
Dec. 31, 2017	12.47	60 456	4 847	2.00	2.00	7.52	0.28
Dec. 31, 2016	10.02	54 687	5 456	2.06 ⁴	2.06	14.83	0.29
Dec. 31, 2015	10.18	62 391	6 130	2.11	2.11	43.55	0.38
Dec. 31, 2014	8.62	56 922	6 602	2.18	2.18	175.02	0.64
Dec. 31, 2013	8.50	63 284	7 445	2.26	2.26	86.06	0.33
Advisor Series							
June 30, 2018	12.88	757	59	1.99	1.99	8.09	0.24
Dec. 31, 2017	12.52	398	32	2.01	2.01	7.52	0.28
Dec. 31, 2016	10.06	313	31	2.06 ⁴	2.06	14.83	0.29
Dec. 31, 2015	10.21	319	31	2.13	2.13	43.55	0.38
Dec. 31, 2014	8.65	280	32	2.20	2.20	175.02	0.64
Dec. 31, 2013	8.53	260	30	2.22	2.22	86.06	0.33
Series D							
June 30, 2018	13.22	10 750	813	1.18	1.18	8.09	0.24
Dec. 31, 2017	12.79	8 805	688	1.18	1.18	7.52	0.28
Dec. 31, 2016	10.20	6 401	628	1.18	1.18	14.83	0.29
Dec. 31, 2015	10.26	6 864	669	1.18	1.18	43.55	0.38
Dec. 31, 2014	8.69	5 578	642	1.22	1.22	175.02	0.64
Dec. 31, 2013	8.57	5 512	643	1.27	1.27	86.06	0.33
Series F							
June 30, 2018	14.41	8 029	557	0.89	0.89	8.09	0.24
Dec. 31, 2017	13.92	5 426	390	0.90	0.90	7.52	0.28
Dec. 31, 2016	11.07	2 129	192	0.90	0.90	14.83	0.29
Dec. 31, 2015	11.11	1 332	120	0.92	0.92	43.55	0.38
Dec. 31, 2014	9.41	675	72	0.95	0.95	175.02	0.64
Dec. 31, 2013	9.23	285	31	1.01	1.01	86.06	0.33
Series O							
June 30, 2018	13.40	28	2	0.05	0.05	8.09	0.24
Dec. 31, 2017	12.89	27	2	0.04	0.04	7.52	0.28
Dec. 31, 2016	10.16	6	1	0.05	0.05	14.83	0.29
Dec. 31, 2015	10.11	334	33	0.05	0.05	43.55	0.38
Dec. 31, 2014	8.56	206 023	24 055	0.03	0.03	175.02	0.64
Dec. 31, 2013	8.63	1 163 528	134 860	0.02	0.02	86.06	0.33

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 and Advisor Series 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 – 2.00% and Advisor Series – 2.01%.



FINANCIAL HIGHLIGHTS (cont.)

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	1.75%	62%	38%
Advisor Series	1.75%	62%	38%
Series D	1.00%	25%	75%
Series F	0.75%	—	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.

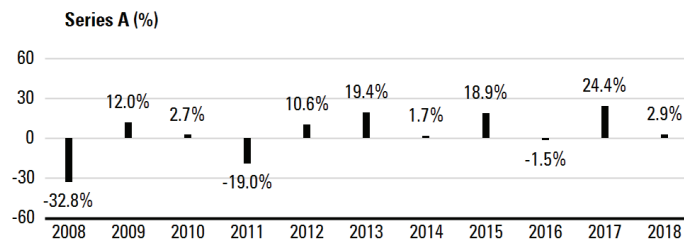
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

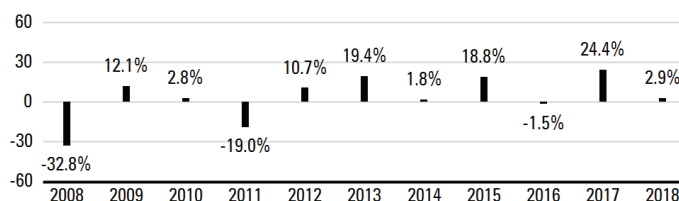
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

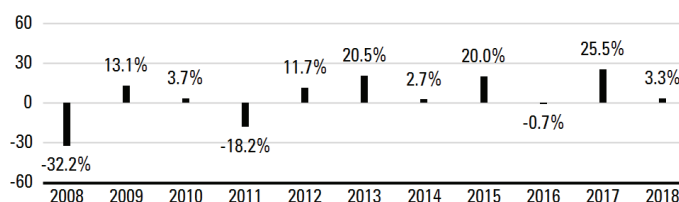
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



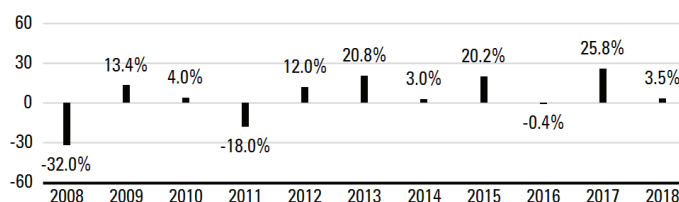
Advisor Series (%)



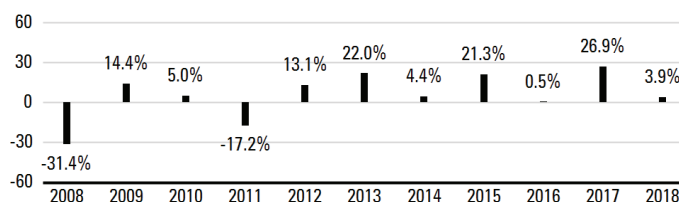
Series D (%)



Series F (%)



Series O (%)



Series O units have been available for sale to unitholders since January 1, 2008.

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
Asian (excluding Japan) Equity Funds	61.1
Japanese Equity Funds	38.9

Top 25 Holdings*

	% of Net Asset Value
RBC Asia Pacific ex-Japan Equity Fund	61.1
RBC Japanese Equity Fund	38.8
Cash & Cash Equivalents	0.1
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



INTERNATIONAL EQUITY FUND

**RBC ASIA PACIFIC EX-JAPAN
EQUITY FUND**

June 30, 2018

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

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China

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 companies located or having a principal business interest in Asian markets such as Hong Kong, South Korea, China, Taiwan, Australia, New Zealand, Singapore, India, Malaysia, Thailand, the Philippines and Indonesia. The Fund does not invest in Japan.

To achieve the Fund's objectives, the portfolio manager uses primarily fundamental research to assess the economic outlook for the Asian region, including expected growth, market valuations and economic trends. The portfolio manager may invest as much as 10% of the Fund's assets in other mutual funds managed by RBC GAM or an affiliate.

Results of Operations

The Fund's net asset value was \$2.0 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 2.0%. 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.

Asian markets declined in the first half of 2018 as global trade tensions rose and regional central banks raised interest rates to defend the value of their currencies against rate increases by the U.S. Federal Reserve (the "Fed"). Stock markets in Australia and India outperformed Southeast Asian markets such as the Philippines and Indonesia.

The Health Care and consumer sectors performed well, while Telecommunication Services and Industrials underperformed. CSL, a global biopharmaceuticals company that uses proteins derived from blood plasma to treat a range of conditions, was the Fund's best-performing stock during the period. Conversely, the stock that hurt the Fund's returns the most was Nexteer, an automotive-components company. The stock's decline was due to concern that trade tension between the China and the U.S. would have a negative impact on the auto industry by crimping demand and delaying vehicle introductions.

During the first half of the year, the Fund initiated a position in Bank of China, one of the "big four" Chinese banks. Among Chinese financial institutions, Bank of China carries less credit risk and relatively small exposure to unsecured, high-yielding savings instruments known as wealth-management products. Bank of China is also less exposed to rising U.S. interest rates given its Hong Kong operation. The Fund also initiated a position in Lemon Tree, India's leading medium-priced hotel chain, and sold its holding in LG Chem, which did not meet the sub-advisor's expectations.

Recent Developments

The sub-advisor expects Asian equity markets to remain volatile as global trade tensions intensify, inflation risks increase and political instability rises in Europe. Interest-rate increases by the Fed and creeping inflation have been accompanied by monetary tightening across the region, with India, Indonesia, South Korea and Hong Kong recently raising interest rates. The sub-advisor expects economic growth in China to slow as economy-wide debt declines. The outlook for long-term growth remains good in India and Vietnam.

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.

Sub-Advisor

RBC Investment Management (Asia) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.



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.

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	Total	
Series A												
June 30, 2018	13.22	0.10	(0.15)	0.99	(0.74)	0.20	—	—	—	—	—	13.49
Dec. 31, 2017	10.64	0.21	(0.27)	0.76	2.02	2.72	—	—	(0.31)	—	(0.31)	13.22
Dec. 31, 2016	10.97	0.18	(0.23)	(0.22)	(0.01)	(0.28)	—	—	—	—	—	10.64
Dec. 31, 2015	10.34	0.56	(0.24)	0.54	0.53	1.39	(0.04)	(0.20)	(0.50)	—	(0.74)	10.97
Dec. 31, 2014 ³	10.00 [†]	0.28	(0.19)	0.13	0.25	0.47	(0.01)	(0.04)	(0.08)	—	(0.13)	10.34
Advisor Series												
June 30, 2018	13.26	0.10	(0.15)	0.99	(0.53)	0.41	—	—	—	—	—	13.53
Dec. 31, 2017	10.68	0.22	(0.28)	0.77	2.40	3.11	—	—	(0.31)	—	(0.31)	13.26
Dec. 31, 2016	11.01	0.18	(0.24)	(0.22)	(0.24)	(0.52)	—	—	—	—	—	10.68
Dec. 31, 2015	10.39	0.57	(0.24)	0.55	0.54	1.42	(0.05)	(0.20)	(0.51)	—	(0.76)	11.01
Dec. 31, 2014 ³	10.00 [†]	0.32	(0.18)	0.15	0.29	0.58	—	(0.02)	(0.08)	—	(0.10)	10.39
Series D												
June 30, 2018	13.42	0.11	(0.10)	1.00	(0.78)	0.23	—	—	—	—	—	13.74
Dec. 31, 2017	10.73	0.22	(0.18)	0.77	1.94	2.75	—	(0.01)	(0.33)	—	(0.34)	13.42
Dec. 31, 2016	11.01	0.18	(0.15)	(0.22)	0.04	(0.15)	—	(0.03)	—	—	(0.03)	10.73
Dec. 31, 2015	10.39	0.57	(0.16)	0.55	0.54	1.50	(0.06)	(0.28)	(0.51)	—	(0.85)	11.01
Dec. 31, 2014 ³	10.00 [†]	0.27	(0.12)	0.12	0.25	0.52	(0.02)	(0.05)	(0.08)	—	(0.15)	10.39
Series F												
June 30, 2018	13.45	0.11	(0.08)	1.01	(0.82)	0.22	—	—	—	—	—	13.80
Dec. 31, 2017	10.76	0.22	(0.14)	0.78	2.07	2.93	—	(0.06)	(0.33)	—	(0.39)	13.45
Dec. 31, 2016	11.04	0.18	(0.12)	(0.22)	0.03	(0.13)	—	(0.06)	—	—	(0.06)	10.76
Dec. 31, 2015	10.45	0.56	(0.13)	0.54	0.53	1.50	(0.07)	(0.30)	(0.54)	—	(0.91)	11.04
Dec. 31, 2014 ³	10.00 [†]	0.26	(0.09)	0.12	0.24	0.53	(0.01)	(0.04)	(0.08)	—	(0.13)	10.45
Series O												
June 30, 2018	13.35	0.11	—	1.00	(0.67)	0.44	—	—	—	—	—	13.76
Dec. 31, 2017	10.67	0.22	—	0.77	2.22	3.21	—	(0.20)	(0.32)	—	(0.52)	13.35
Dec. 31, 2016	10.95	0.18	—	(0.22)	(0.03)	(0.07)	—	(0.18)	—	—	(0.18)	10.67
Dec. 31, 2015	10.35	0.57	—	0.55	0.54	1.66	(0.09)	(0.41)	(0.52)	—	(1.02)	10.95
Dec. 31, 2014 ³	10.00 [†]	0.29	—	0.13	0.27	0.69	(0.06)	(0.17)	(0.08)	—	(0.31)	10.35

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 March 10, 2014.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	13.49	7 039	522	2.20	2.20	56.71	0.30
Dec. 31, 2017	13.22	5 238	396	2.19	2.19	60.86	0.33
Dec. 31, 2016	10.64	2 334	219	2.17	2.17	61.05	0.33
Dec. 31, 2015	10.97	2 257	206	2.16	2.16	80.43	0.47
Dec. 31, 2014 ⁴	10.34	1 271	123	2.19	2.19	105.08	0.51
Advisor Series							
June 30, 2018	13.53	68	5	2.20	2.20	56.71	0.30
Dec. 31, 2017	13.26	80	6	2.22	2.22	60.86	0.33
Dec. 31, 2016	10.68	15	1	2.23	2.23	61.05	0.33
Dec. 31, 2015	11.01	21	2	2.10	2.10	80.43	0.47
Dec. 31, 2014 ⁴	10.39	23	2	2.10	2.10	105.08	0.51
Series D							
June 30, 2018	13.74	2 864	208	1.39	1.39	56.71	0.30
Dec. 31, 2017	13.42	2 368	177	1.41	1.41	60.86	0.33
Dec. 31, 2016	10.73	1 017	95	1.39	1.39	61.05	0.33
Dec. 31, 2015	11.01	508	46	1.38	1.38	80.43	0.47
Dec. 31, 2014 ⁴	10.39	352	34	1.39	1.39	105.08	0.51
Series F							
June 30, 2018	13.80	4 693	340	1.09	1.09	56.71	0.30
Dec. 31, 2017	13.45	2 434	181	1.10	1.10	60.86	0.33
Dec. 31, 2016	10.76	1 143	106	1.11	1.11	61.05	0.33
Dec. 31, 2015	11.04	414	38	1.15	1.15	80.43	0.47
Dec. 31, 2014 ⁴	10.45	160	15	1.05	1.05	105.08	0.51
Series O							
June 30, 2018	13.76	1 939 350	140 899	0.02	0.02	56.71	0.30
Dec. 31, 2017	13.35	1 995 965	149 543	0.02	0.02	60.86	0.33
Dec. 31, 2016	10.67	1 642 250	153 883	0.02	0.02	61.05	0.33
Dec. 31, 2015	10.95	1 537 371	140 415	0.02	0.02	80.43	0.47
Dec. 31, 2014 ⁴	10.35	1 083 454	104 714	0.02	0.02	105.08	0.51

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 From March 10, 2014.



FINANCIAL HIGHLIGHTS (cont.)

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	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	—	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.

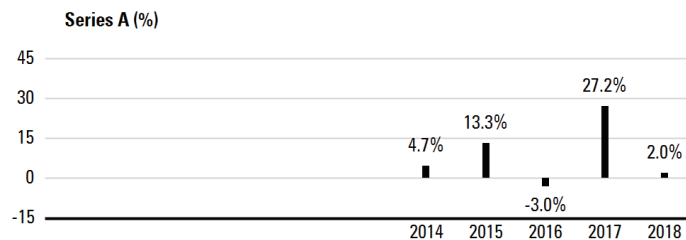
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

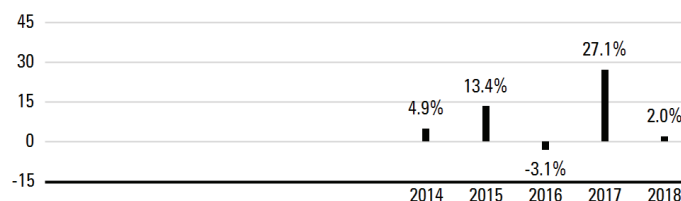
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

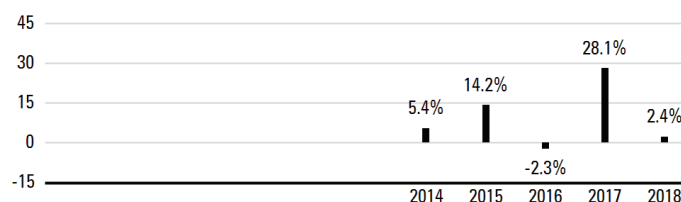
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



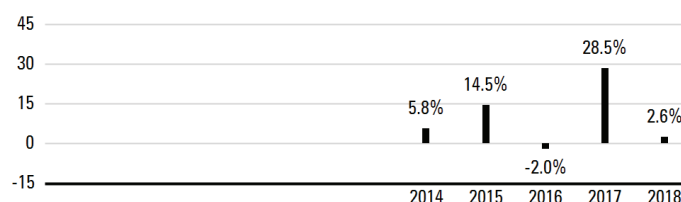
Advisor Series (%)



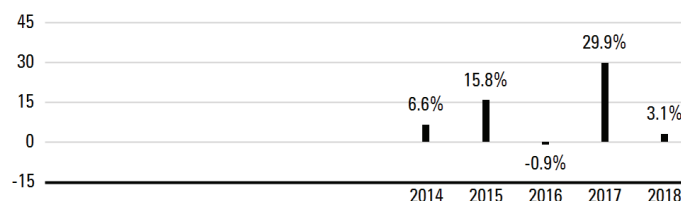
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since March 10, 2014.

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
China	31.2
Australia	14.1
South Korea	12.4
India	11.9
Hong Kong	7.0
Taiwan	6.5
Indonesia	5.0
Thailand	4.3
New Zealand	2.1
Philippines	0.5
Vietnam	0.3
Cash/Other	4.7

Top 25 Holdings

	% of Net Asset Value
Tencent Holdings Ltd.	6.6
Alibaba Group Holding Ltd. ADR	4.3
CSL Ltd.	4.3
Taiwan Semiconductor Manufacturing Co. Ltd.	3.9
Samsung Electronics Co. Ltd.	3.8
Cash & Cash Equivalents	3.5
HDFC Bank Ltd.	3.5
Ping An Insurance Group Company of China Ltd.	3.4
Bank of China Ltd.	3.4
AIA Group Ltd.	3.2
Commonwealth Bank of Australia	2.6
Korea Electric Power Corp.	2.5
Shinhan Financial Group Co. Ltd.	2.2
IMAX China Holding Inc.	2.1
Shenzhen Sunway Communication Co. Ltd.	2.0
Challenger Ltd.	1.9
Largan Precision Co. Ltd.	1.7
Shenzhou International Group Holdings Ltd.	1.7
CP All PCL	1.6
Oil Search Ltd.	1.6
Wuxi Biologics Cayman Inc.	1.5
Netease.com ADR	1.5
Fabrinet	1.4
James Hardie Industries Plc., Subscription Receipts	1.4
Bajaj Finance Ltd.	1.3
Top 25 Holdings	66.9

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.



INTERNATIONAL EQUITY FUND

RBC JAPANESE EQUITY FUND

June 30, 2018

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

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China

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 Japanese companies.

To achieve the Fund's objectives, the portfolio manager uses primarily fundamental research to assess the economic outlook for Japan, including expected growth, market valuations and economic trends. The portfolio manager may invest as much as 10% of the Fund's assets in other mutual funds managed by RBC GAM or an affiliate.

Results of Operations

The Fund's net asset value was \$1.2 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 4.0%. 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.

Japan's equity markets declined in the first half 2018, mirroring global stocks, as U.S. President Donald Trump amplified his trade threats and rising inflation led to concern that central banks would increase interest rates faster than expected. Stocks took a leg down toward the end of the second quarter as fears of a trade war resurfaced. The Japanese yen strengthened versus the U.S. dollar in the first half of 2018. Some investors perceive yen weakness as a negative for the Japanese exporters that dominate the country's large-capitalization stocks.

The Fund benefited from stock selection in the Consumer Discretionary and Health Care sectors. Cyberagent, a gaming and internet-advertising company, was one of the top contributors to the Fund's performance as it gained market share. PeptiDream, a biopharmaceuticals company, also contributed to returns as it continued to reach agreements to collaborate with some of the world's largest drug producers.

During the period, the Fund initiated a position in Rohm, a semiconductor maker tied to the fast-growing areas of electric vehicles, industrial machinery and consumer electronics. To fund this position, the sub-advisor sold holdings in Kajima, a general contractor. The sub-advisor believes that construction orders and profit margins are close to peaking.

Recent Developments

Data in recent months shows the Japanese economy has rebounded from a soft patch in the first quarter. Economic momentum, however, has been weaker than expected, with a widely watched survey of manufacturers' confidence declining in May from April. The recent stabilization of Prime Minister Shinzo Abe's approval ratings suggest a higher probability that he will remain in office.

The sub-advisor believes that the Bank of Japan will continue to keep interest rates at extremely low levels given that inflation doesn't appear to be a threat.

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.

Sub-Advisor

RBC Investment Management (Asia) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.



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.

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	Total	
Series A												
June 30, 2018	12.71	0.10	(0.15)	0.68	(0.30)	0.33	—	—	—	—	—	13.22
Dec. 31, 2017	10.89	0.17	(0.26)	0.53	1.62	2.06	—	—	(0.36)	—	(0.36)	12.71
Dec. 31, 2016	11.89	0.18	(0.26)	1.15	(1.09)	(0.02)	—	—	(1.04)	—	(1.04)	10.89
Dec. 31, 2015	10.00	0.17	(0.27)	1.15	1.69	2.74	—	—	(0.91)	—	(0.91)	11.89
Dec. 31, 2014 ³	10.00 [†]	0.11	(0.18)	0.25	0.38	0.56	—	—	(0.21)	—	(0.21)	10.00
Advisor Series												
June 30, 2018	12.74	0.10	(0.15)	0.68	(0.41)	0.22	—	—	—	—	—	13.24
Dec. 31, 2017	10.93	0.17	(0.28)	0.53	1.51	1.93	—	—	(0.37)	—	(0.37)	12.74
Dec. 31, 2016	11.92	0.18	(0.25)	1.14	(1.13)	(0.06)	—	—	(1.04)	—	(1.04)	10.93
Dec. 31, 2015	10.02	0.17	(0.26)	1.15	1.69	2.75	—	—	(0.91)	—	(0.91)	11.92
Dec. 31, 2014 ³	10.00 [†]	0.16	(0.17)	0.35	0.55	0.89	—	—	(0.21)	—	(0.21)	10.02
Series D												
June 30, 2018	13.15	0.10	(0.09)	0.70	(0.41)	0.30	—	—	—	—	—	13.73
Dec. 31, 2017	11.18	0.17	(0.17)	0.55	1.71	2.26	—	—	(0.38)	—	(0.38)	13.15
Dec. 31, 2016	12.06	0.19	(0.16)	1.17	(1.53)	(0.33)	—	—	(1.02)	—	(1.02)	11.18
Dec. 31, 2015	10.06	0.17	(0.17)	1.16	1.71	2.87	—	—	(0.93)	—	(0.93)	12.06
Dec. 31, 2014 ³	10.00 [†]	0.11	(0.11)	0.25	0.39	0.64	—	(0.01)	(0.21)	—	(0.22)	10.06
Series F												
June 30, 2018	13.17	0.10	(0.08)	0.70	(0.67)	0.05	—	—	—	—	—	13.76
Dec. 31, 2017	11.19	0.17	(0.14)	0.55	1.70	2.28	—	(0.03)	(0.37)	—	(0.40)	13.17
Dec. 31, 2016	12.07	0.19	(0.13)	1.17	0.13	1.36	—	(0.05)	(1.01)	—	(1.06)	11.19
Dec. 31, 2015	10.07	0.17	(0.13)	1.15	1.69	2.88	—	(0.03)	(0.95)	—	(0.98)	12.07
Dec. 31, 2014 ³	10.00 [†]	0.20	(0.07)	0.44	0.68	1.25	—	(0.04)	(0.21)	—	(0.25)	10.07
Series O												
June 30, 2018	13.11	0.10	—	0.70	(0.08)	0.72	—	—	—	—	—	13.78
Dec. 31, 2017	11.14	0.17	—	0.55	1.80	2.52	—	(0.18)	(0.37)	—	(0.55)	13.11
Dec. 31, 2016	12.08	0.19	—	1.18	(1.05)	0.32	—	(0.17)	(1.09)	—	(1.26)	11.14
Dec. 31, 2015	10.08	0.17	—	1.18	1.74	3.09	—	(0.16)	(0.94)	—	(1.10)	12.08
Dec. 31, 2014 ³	10.00 [†]	0.12	—	0.27	0.41	0.80	—	(0.10)	(0.21)	—	(0.31)	10.08

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 March 10, 2014.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	13.22	6 876	520	2.21	2.21	51.38	0.16
Dec. 31, 2017	12.71	4 614	363	2.22	2.22	67.99	0.19
Dec. 31, 2016	10.89	3 658	336	2.23	2.23	82.47	0.22
Dec. 31, 2015	11.89	4 693	395	2.23	2.23	89.25	0.26
Dec. 31, 2014 ⁴	10.00	711	71	2.23	2.23	91.34	0.29
Advisor Series							
June 30, 2018	13.24	1 419	107	2.21	2.21	51.38	0.16
Dec. 31, 2017	12.74	820	64	2.27	2.27	67.99	0.19
Dec. 31, 2016	10.93	233	21	2.12	2.12	82.47	0.22
Dec. 31, 2015	11.92	81	7	2.18	2.18	89.25	0.26
Dec. 31, 2014 ⁴	10.02	4	—	2.10	2.10	91.34	0.29
Series D							
June 30, 2018	13.73	5 977	435	1.37	1.37	51.38	0.16
Dec. 31, 2017	13.15	3 564	271	1.38	1.38	67.99	0.19
Dec. 31, 2016	11.18	2 728	244	1.38	1.38	82.47	0.22
Dec. 31, 2015	12.06	2 662	221	1.39	1.39	89.25	0.26
Dec. 31, 2014 ⁴	10.06	311	31	1.38	1.38	91.34	0.29
Series F							
June 30, 2018	13.76	8 916	648	1.10	1.10	51.38	0.16
Dec. 31, 2017	13.17	2 434	185	1.13	1.13	67.99	0.19
Dec. 31, 2016	11.19	1 324	118	1.06	1.06	82.47	0.22
Dec. 31, 2015	12.07	619	51	1.06	1.06	89.25	0.26
Dec. 31, 2014 ⁴	10.07	1	—	1.05	1.05	91.34	0.29
Series O							
June 30, 2018	13.78	1 188 419	86 262	0.02	0.02	51.38	0.16
Dec. 31, 2017	13.11	1 216 355	92 809	0.02	0.02	67.99	0.19
Dec. 31, 2016	11.14	1 031 002	92 591	0.02	0.02	82.47	0.22
Dec. 31, 2015	12.08	965 842	79 923	0.02	0.02	89.25	0.26
Dec. 31, 2014 ⁴	10.08	698 163	69 231	0.02	0.02	91.34	0.29

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 From March 10, 2014.



FINANCIAL HIGHLIGHTS (cont.)

Management Fees

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	Management Fees	Breakdown of Services	
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* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

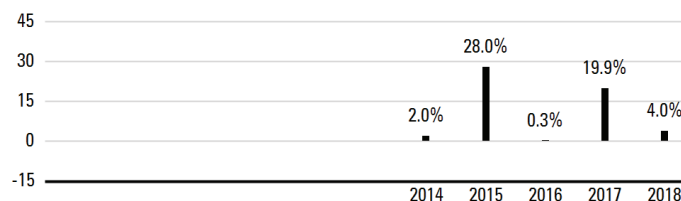
PAST PERFORMANCE

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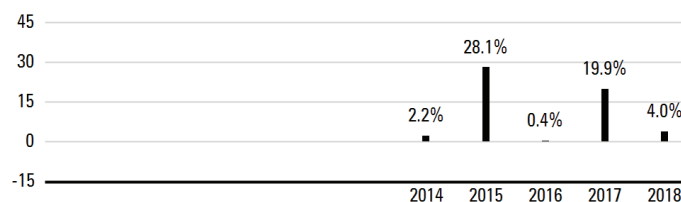
Year-by-Year Returns (%)

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.

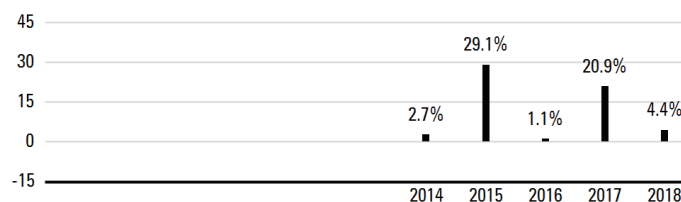
Series A (%)



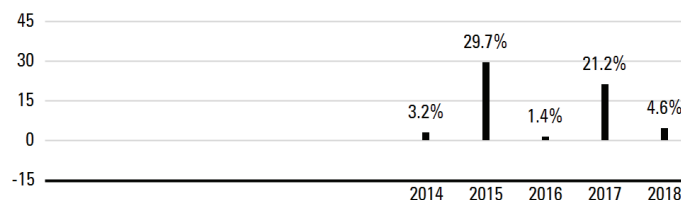
Advisor Series (%)



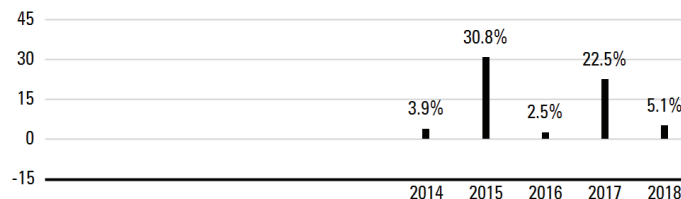
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since March 10, 2014.

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
Consumer Discretionary	22.7
Industrials	16.2
Information Technology	15.0
Financials	12.1
Health Care	11.0
Telecommunication Services	7.9
Consumer Staples	6.7
Materials	5.4
Real Estate	0.9
Cash/Other	2.1

Top 25 Holdings

	% of Net Asset Value
SoftBank Group Corp.	6.2
Suzuki Motor Co. Ltd.	3.4
Sumitomo Mitsui Financial Group Inc.	3.3
Mizuho Financial Group Inc.	3.3
Mitsubishi UFJ Financial Group Inc.	3.3
Mitsubishi Corp.	3.2
PeptiDream Inc.	2.8
Bridgestone Corp.	2.6
Asahi Group Holdings Ltd.	2.5
SMC Corp.	2.2
Cash & Cash Equivalents	2.1
Daiichi Sankyo Co. Ltd.	2.1
Recruit Holdings Co. Ltd.	2.0
Sony Corp.	2.0
Honda Motor Co. Ltd.	1.8
Murata Manufacturing Co. Ltd.	1.8
Keyence Corp.	1.8
MISUMI Group Inc.	1.7
Nitori Co. Ltd.	1.7
Daikin Industries Ltd.	1.7
Nippon Telegraph & Telephone Corp.	1.7
SanBio Co. Ltd.	1.6
Yahoo! Japan Corp.	1.6
CyberAgent Inc.	1.6
Nitto Denko Corp.	1.6
Top 25 Holdings	59.6

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.



INTERNATIONAL EQUITY FUND

RBC EMERGING MARKETS MULTI-STRATEGY EQUITY FUND

June 30, 2018

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

Sub-Advisor (for the underlying fund): RBC Global Asset Management (UK)
Limited, London, England

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 aims to provide long-term capital growth by investing primarily in other mutual funds managed by RBC GAM or an affiliate, emphasizing funds that invest in equity securities of companies located or active in emerging markets.

The Fund invests up to 100% of its net assets in the RBC Emerging Markets Dividend Fund, RBC Emerging Markets Equity Fund and RBC Emerging Markets Small-Cap Equity Fund (the “underlying funds”), which are sub-advised by RBC Global Asset Management (UK) Limited. The underlying funds invest primarily in securities of companies located or active in emerging-market countries, including: China, Brazil, South Korea, Taiwan, India, South Africa, Russia, Mexico, Israel, Malaysia, Indonesia, Turkey, Chile, Thailand and Poland.

Results of Operations

The Fund’s net asset value was \$377 million as of June 30, 2018.

Over the past six months, the Fund’s Series A units lost 4.1%. 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.

After a strong run in 2017, the outlook for emerging-market equities darkened in the first half of 2018 due to U.S. efforts to boost tariffs on Chinese goods and the negative impact of a rise in the U.S. dollar, the latter linked to higher U.S. bond yields. The Fund’s returns were held back by a combination of sector and stock selection.

Two of the portfolio’s three investments had a negative impact on performance. The RBC Emerging Markets Small-Cap Equity Fund, which performed best, finished the period essentially unchanged.

The Fund’s biggest holding was the RBC Emerging Markets Equity Fund, where an underweight position in the Information Technology sector and a lack of exposure to the Energy sector hurt relative returns, as these sectors performed strongly. In terms of security selection, returns were boosted by stocks including AIA Group, a Hong Kong-based financial-services company, and HDFC, an Indian bank. At the country level, the Fund had especially strong stock selection in India, South Africa and Chile.

In the small-cap holding, stock selection was positive for returns, particularly in India, Thailand and Brazil. This positioning offset the negative impact of having a relatively small allocation to China and large overall allocations to the Philippines and India. At the sector level, stock selection in the Health Care, Materials and Financials sectors added to relative returns, while a high allocation to Financials and relatively low allocations to Real Estate and

Health Care offset some of the gains. Some of the small-cap fund’s largest positions were top performers in the portfolio, including Aeon Thana, a Thai financial company, and Cyient, an Indian provider of information-technology services. Holdings in Kakao M, formerly Loen Entertainment, and luggage company Samsonite held back returns.

Recent Developments

Emerging-market valuations are attractive, particularly relative to developed markets, following significant underperformance over the past seven years. The rate of emerging-market economic growth relative to developed markets is picking up, and earnings in emerging markets are benefiting from improved productivity and economic reforms.

The portfolio manager remains somewhat optimistic about the outlook for emerging-market currencies, which are supported by cheap valuations, high inflation-adjusted interest rates and current-account surpluses. The remainder of 2018 will be focused on elections in Brazil, Mexico, Malaysia and Thailand, and on what the portfolio manager expects will be more, albeit gradual, increases in U.S. bond yields.

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.



Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.

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	Total	
Series A												
June 30, 2018	11.62	0.05	(0.12)	0.05	(0.73)	(0.75)	—	—	—	—	—	11.14
Dec. 31, 2017	9.43	0.33	(0.24)	0.15	1.59	1.83	—	(0.10)	(0.04)	—	(0.14)	11.62
Dec. 31, 2016 ³	10.00 [†]	0.24	(0.06)	(0.02)	(0.78)	(0.62)	—	(0.08)	(0.01)	—	(0.09)	9.43
Advisor Series												
June 30, 2018	11.62	0.06	(0.12)	0.05	(0.65)	(0.66)	—	—	—	—	—	11.14
Dec. 31, 2017	9.44	0.37	(0.24)	0.16	1.68	1.97	—	(0.10)	(0.04)	—	(0.14)	11.62
Dec. 31, 2016 ³	10.00 [†]	0.15	(0.06)	(0.01)	(0.26)	(0.18)	—	(0.08)	(0.01)	—	(0.09)	9.44
Series D												
June 30, 2018	11.68	0.06	(0.07)	0.05	(0.79)	(0.75)	—	—	—	—	—	11.25
Dec. 31, 2017	9.43	0.42	(0.14)	0.19	1.62	2.09	—	(0.13)	(0.04)	—	(0.17)	11.68
Dec. 31, 2016 ³	10.00 [†]	0.40	(0.04)	(0.03)	(0.77)	(0.44)	—	(0.10)	(0.01)	—	(0.11)	9.43
Series F												
June 30, 2018	11.69	0.06	(0.06)	0.05	(0.64)	(0.59)	—	—	—	—	—	11.27
Dec. 31, 2017	9.43	0.36	(0.11)	0.16	1.69	2.10	—	(0.15)	(0.04)	—	(0.19)	11.69
Dec. 31, 2016 ³	10.00 [†]	0.19	(0.03)	(0.01)	(0.58)	(0.43)	—	(0.11)	(0.01)	—	(0.12)	9.43
Series O												
June 30, 2018	11.72	0.06	—	0.05	(0.62)	(0.51)	—	(0.01)	—	—	(0.01)	11.34
Dec. 31, 2017	9.42	0.31	(0.01)	0.14	1.68	2.12	—	(0.21)	(0.05)	—	(0.26)	11.72
Dec. 31, 2016 ³	10.00 [†]	1.07	(0.02)	(0.07)	(1.19)	(0.21)	—	(0.14)	(0.01)	—	(0.15)	9.42

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 June 27, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	11.14	21 578	1 937	2.30	2.30	7.55	0.19
Dec. 31, 2017	11.62	11 852	1 020	2.40	2.40	3.51	0.19
Dec. 31, 2016 ⁴	9.43	403	43	2.41	2.45	6.76	0.23
Advisor Series							
June 30, 2018	11.14	5 608	503	2.27	2.27	7.55	0.19
Dec. 31, 2017	11.62	3 917	337	2.41	2.41	3.51	0.19
Dec. 31, 2016 ⁴	9.44	232	25	2.46	2.49	6.76	0.23
Series D							
June 30, 2018	11.25	3 576	318	1.43	1.43	7.55	0.19
Dec. 31, 2017	11.68	1 840	158	1.50	1.50	3.51	0.19
Dec. 31, 2016 ⁴	9.43	150	16	1.56	1.60	6.76	0.23
Series F							
June 30, 2018	11.27	231 658	20 546	1.16	1.16	7.55	0.19
Dec. 31, 2017	11.69	160 510	13 732	1.25	1.25	3.51	0.19
Dec. 31, 2016 ⁴	9.43	5 398	572	1.28	1.32	6.76	0.23
Series O							
June 30, 2018	11.34	115 009	10 140	0.22	0.22	7.55	0.19
Dec. 31, 2017	11.72	80 431	6 865	0.30	0.30	3.51	0.19
Dec. 31, 2016 ⁴	9.42	443	47	0.32	0.36	6.76	0.23

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 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 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 From June 27, 2016.

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	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	—	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 O (%)



Series A, Advisor Series, Series D, Series F and Series O units have been available for sale to unitholders since September 26, 2016.

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
International Equity Funds	99.6
Cash/Other	0.4

Top 25 Holdings*

	% of Net Asset Value
RBC Emerging Markets Equity Fund	49.6
RBC Emerging Markets Dividend Fund	40.0
RBC Emerging Markets Small-Cap Equity Fund	9.9
Cash & Cash Equivalents	0.5
Total	100.0

* The Fund holds fewer than 25 holdings.

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.



INTERNATIONAL EQUITY FUND

**RBC EMERGING MARKETS
DIVIDEND FUND**

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

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

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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.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns consisting of dividend income and capital growth by investing in equity securities of companies that are located or active in emerging markets and that offer above-average dividend yields.

To achieve the Fund's objectives, the portfolio manager selects equity securities of companies in emerging-market countries, including, but not limited to, China, Brazil, South Korea, Taiwan, India, South Africa, Russia, Mexico, Peru, Malaysia, Indonesia, Turkey, Chile, Thailand and Poland. The Fund's investment process is based primarily on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection is ultimately based on an understanding of the company, its business and its outlook. The portfolio manager also assesses the economic outlook in each emerging-market region, including expected growth, market valuations and economic trends. The Fund is diversified by sector and emerging-market country to help reduce risk.

Results of Operations

The Fund's net asset value was \$918 million as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 5.1%. 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.

After a strong run in 2017, the outlook for emerging-market equities darkened in the first half of 2018 because of U.S. efforts to boost tariffs on Chinese goods and the negative impact of a rise in the U.S. dollar, the latter linked to higher U.S. bond yields. The Fund's returns were held back by a combination of sector and stock selection.

At the country level, exposure to Argentina and Turkey hurt relative returns, as did stock selection in Taiwan and South Korea. This impact was somewhat offset by stock selection in Brazil and Indonesia. Stock selection in the Information Technology, Consumer Discretionary and Financials sectors had a negative impact on relative returns, while stock selection in the Real Estate and Materials sectors contributed to performance.

Stocks that had a significant impact on returns included South Korean auto-parts maker Mando, which faced order delays from its largest customer, Hyundai Motor. The sub-advisor has been gradually reducing the position and reallocating the proceeds to South Korean companies such as Dentium, a maker of dental implants that is benefiting from Asia's expanding middle class and increased demand for cosmetic products. Holdings in Banco Macro in Argentina and Banco Estado in Brazil, both in the Financials sector, held back returns.

On the positive side, the Fund's position in Suzano Papel e Celulose was a key contributor to performance, with the Brazilian pulp producer benefiting from higher pulp prices and a takeover that the sub-advisor estimates should give it 30% of the global market for hardwood pulp. Chinese developer Shimao Property Holdings was another top performer, reporting strong year-over-year sales growth.

Recent Developments

Emerging-market valuations are attractive, particularly relative to developed markets, following significant underperformance over the past seven years. The rate of emerging-market economic growth relative to developed markets is picking up, and earnings in emerging markets are benefiting from improved productivity and economic reforms.

The sub-advisor remains somewhat optimistic about the outlook for emerging-market currencies, which are supported by cheap valuations, high inflation-adjusted interest rates and current-account surpluses. The remainder of 2018 will be focused on elections in Brazil, Mexico, Malaysia and Thailand and on what the sub-advisor expects will be more – albeit gradual – increases in U.S. bond yields.

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.



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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.

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	Total	Year/Period	
Series A													
June 30, 2018	14.49	0.24	(0.16)	0.71	(1.79)	(1.00)	—	(0.06)	—	—	(0.06)	13.68	
Dec. 31, 2017	11.69	0.35	(0.32)	0.91	1.99	2.93	—	(0.09)	(0.24)	—	(0.33)	14.49	
Dec. 31, 2016	10.64	0.37	(0.26)	(0.57)	1.61	1.15	—	(0.12)	—	—	(0.12)	11.69	
Dec. 31, 2015	11.26	0.35	(0.28)	0.07	(0.84)	(0.70)	—	(0.13)	(0.07)	—	(0.20)	10.64	
Dec. 31, 2014	10.68	0.47	(0.28)	0.13	0.35	0.67	—	(0.12)	(0.11)	—	(0.23)	11.26	
Dec. 31, 2013 ³	10.00 [†]	0.15	(0.15)	(0.10)	0.48	0.38	—	(0.02)	—	—	(0.02)	10.67	
Advisor Series													
June 30, 2018	14.51	0.24	(0.16)	0.71	(1.82)	(1.03)	—	(0.06)	—	—	(0.06)	13.70	
Dec. 31, 2017	11.71	0.36	(0.33)	0.92	1.99	2.94	—	(0.09)	(0.24)	—	(0.33)	14.51	
Dec. 31, 2016	10.66	0.37	(0.27)	(0.57)	1.60	1.13	—	(0.11)	—	—	(0.11)	11.71	
Dec. 31, 2015	11.28	0.35	(0.28)	0.07	(0.84)	(0.70)	—	(0.13)	(0.07)	—	(0.20)	10.66	
Dec. 31, 2014	10.68	0.46	(0.27)	0.13	0.34	0.66	—	(0.11)	(0.11)	—	(0.22)	11.28	
Dec. 31, 2013 ³	10.00 [†]	0.14	(0.15)	(0.10)	0.46	0.35	—	(0.02)	—	—	(0.02)	10.68	
Series D													
June 30, 2018	14.67	0.25	(0.10)	0.72	(1.77)	(0.90)	—	(0.09)	—	—	(0.09)	13.88	
Dec. 31, 2017	11.80	0.36	(0.21)	0.92	1.89	2.96	—	(0.17)	(0.24)	—	(0.41)	14.67	
Dec. 31, 2016	10.72	0.37	(0.18)	(0.57)	1.57	1.19	—	(0.20)	—	—	(0.20)	11.80	
Dec. 31, 2015	11.30	0.35	(0.19)	0.07	(0.84)	(0.61)	—	(0.17)	(0.07)	—	(0.24)	10.72	
Dec. 31, 2014	10.70	0.48	(0.18)	0.13	0.36	0.79	—	(0.20)	(0.11)	—	(0.31)	11.30	
Dec. 31, 2013 ³	10.00 [†]	0.15	(0.10)	(0.10)	0.48	0.43	—	(0.03)	—	—	(0.03)	10.70	
Series F													
June 30, 2018	14.82	0.25	(0.08)	0.73	(1.83)	(0.93)	—	(0.10)	—	—	(0.10)	14.03	
Dec. 31, 2017	11.90	0.36	(0.18)	0.94	2.14	3.26	—	(0.19)	(0.24)	—	(0.43)	14.82	
Dec. 31, 2016	10.81	0.37	(0.15)	(0.58)	1.31	0.95	—	(0.22)	—	—	(0.22)	11.90	
Dec. 31, 2015	11.38	0.35	(0.16)	0.07	(0.84)	(0.58)	—	(0.19)	(0.07)	—	(0.26)	10.81	
Dec. 31, 2014	10.71	0.43	(0.15)	0.12	0.32	0.72	—	(0.16)	(0.11)	—	(0.27)	11.38	
Dec. 31, 2013 ³	10.00 [†]	0.15	(0.08)	(0.10)	0.47	0.44	—	(0.03)	—	—	(0.03)	10.70	



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	Total	
Series O												
June 30, 2018	14.40	0.24	(0.01)	0.71	(1.64)	(0.70)	—	(0.15)	—	—	(0.15)	13.65
Dec. 31, 2017	11.56	0.36	(0.03)	0.92	2.10	3.35	—	(0.31)	(0.24)	—	(0.55)	14.40
Dec. 31, 2016	10.49	0.36	(0.03)	(0.56)	1.68	1.45	—	(0.32)	—	—	(0.32)	11.56
Dec. 31, 2015	11.04	0.34	(0.03)	0.07	(0.82)	(0.44)	—	(0.29)	(0.07)	—	(0.36)	10.49
Dec. 31, 2014	10.43	0.45	(0.03)	0.13	0.34	0.89	—	(0.31)	(0.11)	—	(0.42)	11.04
Dec. 31, 2013 ⁴	10.00 [†]	0.17	(0.02)	(0.12)	0.56	0.59	(0.01)	(0.11)	—	—	(0.12)	10.42

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 August 12, 2013.

⁴ From June 10, 2013.

[†] 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	13.68	52 626	3 847	2.22	2.22	63.14	0.27
Dec. 31, 2017	14.49	40 513	2 796	2.37 ⁴	2.37	54.61	0.31
Dec. 31, 2016	11.69	16 137	1 380	2.43	2.43	70.28	0.41
Dec. 31, 2015	10.64	15 274	1 436	2.43	2.43	69.98	0.50
Dec. 31, 2014	11.26	11 639	1 034	2.46	2.46	74.47	0.49
Dec. 31, 2013 ⁵	10.68	3 362	315	2.46	2.46	45.95	0.43
Advisor Series							
June 30, 2018	13.70	6 677	487	2.24	2.24	63.14	0.27
Dec. 31, 2017	14.51	5 189	358	2.39 ⁴	2.39	54.61	0.31
Dec. 31, 2016	11.71	2 338	200	2.48	2.48	70.28	0.41
Dec. 31, 2015	10.66	2 453	230	2.43	2.43	69.98	0.50
Dec. 31, 2014	11.28	1 656	147	2.39	2.39	74.47	0.49
Dec. 31, 2013 ⁵	10.68	408	38	2.38	2.38	45.95	0.43
Series D							
June 30, 2018	13.88	11 807	851	1.37	1.37	63.14	0.27
Dec. 31, 2017	14.67	10 892	743	1.53 ⁴	1.53	54.61	0.31
Dec. 31, 2016	11.80	3 348	284	1.60	1.60	70.28	0.41
Dec. 31, 2015	10.72	2 732	255	1.60	1.60	69.98	0.50
Dec. 31, 2014	11.30	1 636	145	1.62	1.62	74.47	0.49
Dec. 31, 2013 ⁵	10.70	696	65	1.62	1.62	45.95	0.43
Series F							
June 30, 2018	14.03	53 603	3 821	1.11	1.11	63.14	0.27
Dec. 31, 2017	14.82	41 123	2 776	1.28 ⁴	1.28	54.61	0.31
Dec. 31, 2016	11.90	20 510	1 723	1.36	1.36	70.28	0.41
Dec. 31, 2015	10.81	19 177	1 775	1.36	1.36	69.98	0.50
Dec. 31, 2014	11.38	8 435	741	1.35	1.35	74.47	0.49
Dec. 31, 2013 ⁵	10.71	602	56	1.34	1.34	45.95	0.43



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 O							
June 30, 2018	13.65	793 605	58 136	0.17	0.17	63.14	0.27
Dec. 31, 2017	14.40	717 291	49 810	0.24 ⁴	0.24	54.61	0.31
Dec. 31, 2016	11.56	471 003	40 749	0.28	0.28	70.28	0.41
Dec. 31, 2015	10.49	392 045	37 366	0.28	0.28	69.98	0.50
Dec. 31, 2014	11.04	269 582	24 428	0.28	0.28	74.47	0.49
Dec. 31, 2013 ⁶	10.43	94 132	9 026	0.28	0.28	45.95	0.43

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 October 2, 2017, the administration fees were changed in respect of Series A, Advisor Series, Series D, Series F and Series O units of the Fund. If the changes to the administration fees would have been in effect throughout 2017, the adjusted MER for each series of the Fund would be: Series A – 2.22%, Advisor Series – 2.24%, Series D – 1.39%, Series F – 1.12% and Series O – 0.17%.

⁵ From August 12, 2013.

⁶ From June 10, 2013.

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	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	—	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.

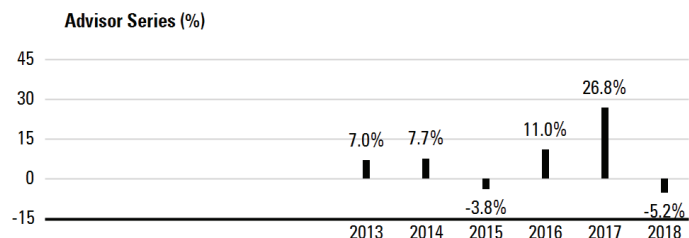
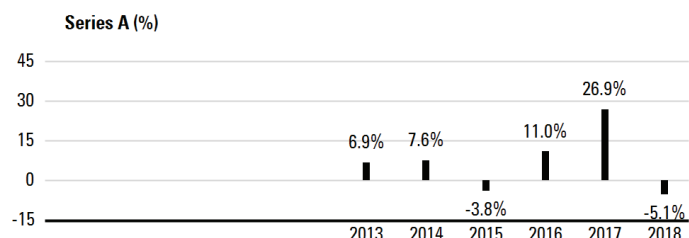


PAST PERFORMANCE

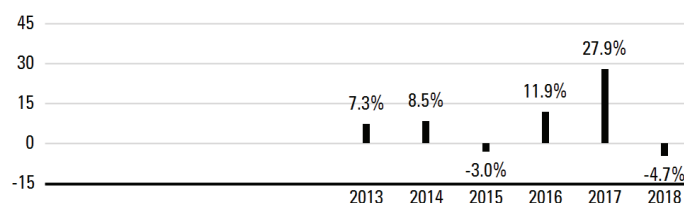
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

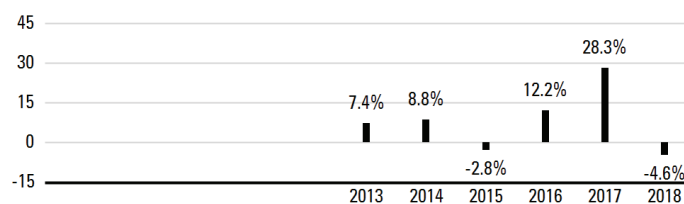
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



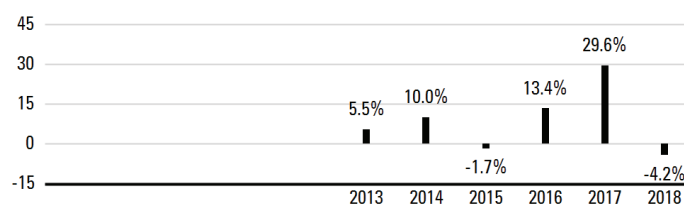
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D and Series F units have been available for sale to unitholders since August 12, 2013, and Series O units since June 10, 2013.

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
China	27.3
South Korea	15.6
Taiwan	10.1
India	8.4
Russia	6.3
Brazil	5.7
South Africa	5.4
Indonesia	2.7
Mexico	1.4
Thailand	1.0
Other Countries	15.4
Cash/Other	0.7

Top 25 Holdings

	% of Net Asset Value
Alibaba Group Holding Ltd. ADR	5.2
Samsung Electronics Co. Ltd.	5.1
China Construction Bank Corp.	4.0
Industrial & Commercial Bank of China	3.8
Naspers Ltd.	3.5
Taiwan Semiconductor Manufacturing Co. Ltd.	2.8
Ping An Insurance Group Company of China Ltd.	2.3
CNOOC Ltd.	1.8
Sberbank of Russia ADR	1.7
Shimao Property Holdings Ltd.	1.6
Hua Hong Semiconductor Ltd.	1.6
Reliance Industries Ltd.	1.6
China Communications Services Corp. Ltd.	1.6
SITC International Holdings Co. Ltd.	1.5
Mphasis Ltd.	1.5
Lukoil PJSC ADR	1.5
China Petroleum & Chemical Corp.	1.4
Banco Davivienda S.A. Preference	1.4
Standard Bank Group Ltd.	1.4
Hynix Semiconductor Inc.	1.4
China Resources Power Holdings Co. Ltd.	1.4
Vale S.A. ADR	1.4
TF Administradora Industrial S. de R.L. de C.V. Real Estate Investment Trust	1.4
Hana Financial Group Inc.	1.4
Dentium Co Ltd.	1.3
Top 25 Holdings	53.6

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.



INTERNATIONAL EQUITY FUND

**RBC EMERGING MARKETS
EQUITY FUND**

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

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 aims to provide long-term capital growth by investing primarily in equity securities of companies located or active in emerging markets.

The Fund's investment process is based primarily on fundamental research, and includes an assessment of each emerging-market region, including expected growth, market valuations and economic trends. Quantitative and technical factors may also be considered. The Fund may invest in securities of companies located or active in emerging-market countries, including, but not limited to: China, Brazil, South Korea, Taiwan, India, South Africa, Russia, Mexico, Israel, Malaysia, Indonesia, Turkey, Chile, Thailand and Poland. The portfolio is diversified by sector and emerging-market country to help reduce risk. Individual stocks are selected based on the intrinsic value of each company, liquidity and overall portfolio risk.

Results of Operations

The Fund's net asset value was \$4.1 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 3.6%. 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.

After a strong run in 2017, the outlook for emerging-market equities darkened in the first half of 2018 because of U.S. efforts to boost tariffs on Chinese goods and the negative impact of a rise in the U.S. dollar, the latter linked to higher U.S. bond yields. The Fund's relative returns were helped by stock selection during the period, offset by the negative impact of sector selection.

June was a strong month for the Fund, helping to recoup some of the losses experienced at the start of the year. Underweight positions in China and South Korea helped, as those markets performed poorly in June. Being overweight the more defensive consumer sectors also helped, given the general risk-off mood in markets.

In terms of sector positioning, the Fund's underweight allocation to the Information Technology sector and a lack of exposure to Energy hurt relative returns, as these sectors performed strongly. In terms of stock selection, returns were boosted by AIA Group, a Hong Kong-based financial-services company; HDFC, an Indian bank; Credicorp, a bank-holding company in Peru; and India's Tata Consultancy Services. At the country level, the Fund had especially strong stock selection in India, South Africa and Chile.

Recent Developments

Emerging-market valuations are attractive, particularly relative to developed markets, following significant underperformance over the past seven years. The rate of emerging-market economic growth relative to developed markets is picking up, and earnings in emerging markets are benefiting from improved productivity and economic reforms.

The sub-advisor remains somewhat optimistic about the outlook for emerging-market currencies, which are supported by cheap valuations, high inflation-adjusted interest rates and current-account surpluses. The remainder of 2018 will be focused on elections in Brazil, Mexico, Malaysia and Thailand and on what the sub-advisor expects will be more – albeit gradual – increases in U.S. bond yields.

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.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.



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.

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	17.64	0.23	(0.19)	0.93	(1.66)	(0.69)	—	—	—	—	—	17.00	
Dec. 31, 2017	14.04	0.34	(0.38)	0.50	3.08	3.54	—	—	—	—	—	17.64	
Dec. 31, 2016	13.91	0.30	(0.34)	0.25	(0.10)	0.11	—	—	—	—	—	14.04	
Dec. 31, 2015	13.10	0.43	(0.34)	0.53	0.19	0.81	—	(0.08)	—	—	(0.08)	13.91	
Dec. 31, 2014	11.50	0.33	(0.30)	0.31	1.29	1.63	—	(0.01)	—	—	(0.01)	13.10	
Dec. 31, 2013	10.97	0.26	(0.27)	0.27	0.25	0.51	—	—	—	—	—	11.49	
Advisor Series													
June 30, 2018	17.61	0.23	(0.19)	0.93	(1.71)	(0.74)	—	—	—	—	—	16.97	
Dec. 31, 2017	14.02	0.34	(0.38)	0.50	3.03	3.49	—	—	—	—	—	17.61	
Dec. 31, 2016	13.89	0.29	(0.34)	0.25	(0.03)	0.17	—	—	—	—	—	14.02	
Dec. 31, 2015	13.08	0.43	(0.34)	0.53	0.19	0.81	—	(0.08)	—	—	(0.08)	13.89	
Dec. 31, 2014	11.48	0.33	(0.30)	0.31	1.29	1.63	—	(0.01)	—	—	(0.01)	13.08	
Dec. 31, 2013	10.95	0.26	(0.27)	0.27	0.25	0.51	—	—	—	—	—	11.47	
Series T5													
June 30, 2018	16.97	0.22	(0.18)	0.87	(2.29)	(1.38)	—	—	—	(0.42)	(0.42)	15.95	
Dec. 31, 2017 ³	14.84 [†]	0.28	(0.33)	0.41	1.54	1.90	—	—	—	(0.62)	(0.62)	16.97	
Series D													
June 30, 2018	18.02	0.24	(0.11)	0.95	(1.71)	(0.63)	—	—	—	—	—	17.45	
Dec. 31, 2017	14.28	0.35	(0.23)	0.51	3.03	3.66	—	(0.09)	—	—	(0.09)	18.02	
Dec. 31, 2016	14.07	0.30	(0.21)	0.25	(0.09)	0.25	—	(0.06)	—	—	(0.06)	14.28	
Dec. 31, 2015	13.25	0.44	(0.21)	0.54	0.19	0.96	—	(0.21)	—	—	(0.21)	14.07	
Dec. 31, 2014	11.61	0.33	(0.19)	0.31	1.31	1.76	—	(0.11)	—	—	(0.11)	13.25	
Dec. 31, 2013	11.06	0.26	(0.17)	0.28	0.26	0.63	—	(0.09)	—	—	(0.09)	11.60	
Series F													
June 30, 2018	18.14	0.24	(0.09)	0.96	(1.81)	(0.70)	—	—	—	—	—	17.59	
Dec. 31, 2017	14.38	0.35	(0.19)	0.51	3.00	3.67	—	(0.14)	—	—	(0.14)	18.14	
Dec. 31, 2016	14.17	0.30	(0.17)	0.25	(0.02)	0.36	—	(0.10)	—	—	(0.10)	14.38	
Dec. 31, 2015	13.33	0.43	(0.17)	0.54	0.19	0.99	—	(0.25)	—	—	(0.25)	14.17	
Dec. 31, 2014	11.63	0.33	(0.15)	0.31	1.31	1.80	—	(0.08)	—	—	(0.08)	13.33	
Dec. 31, 2013	11.06	0.27	(0.13)	0.28	0.26	0.68	—	(0.10)	—	—	(0.10)	11.62	
Series FT5													
June 30, 2018	17.60	0.23	(0.08)	0.92	(1.78)	(0.71)	—	(0.08)	—	(0.36)	(0.44)	16.64	
Dec. 31, 2017 ³	15.22 [†]	0.28	(0.16)	0.41	1.84	2.37	—	(0.12)	—	(0.52)	(0.64)	17.60	



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	Total	
		Series O										
June 30, 2018	18.19	0.24	(0.01)	0.96	(1.70)	(0.51)	—	—	—	—	—	17.72
Dec. 31, 2017	14.41	0.35	(0.04)	0.52	3.29	4.12	—	(0.29)	—	—	(0.29)	18.19
Dec. 31, 2016	14.20	0.30	(0.04)	0.26	(0.06)	0.46	—	(0.23)	—	—	(0.23)	14.41
Dec. 31, 2015	13.37	0.44	(0.04)	0.55	0.20	1.15	—	(0.39)	—	—	(0.39)	14.20
Dec. 31, 2014	11.72	0.34	(0.04)	0.32	1.33	1.95	—	(0.27)	—	—	(0.27)	13.37
Dec. 31, 2013	11.18	0.27	(0.03)	0.28	0.26	0.78	—	(0.25)	—	—	(0.25)	11.71

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	17.00	160 107	9 419	2.21	2.21	24.23	0.13
Dec. 31, 2017	17.64	153 345	8 694	2.37 ⁴	2.37	18.10	0.11
Dec. 31, 2016	14.04	109 012	7 763	2.43	2.43	20.89	0.16
Dec. 31, 2015	13.91	122 456	8 802	2.43	2.43	24.03	0.17
Dec. 31, 2014	13.10	110 209	8 416	2.43	2.43	38.68	0.21
Dec. 31, 2013	11.50	93 340	8 119	2.44	2.44	42.50	0.25
Advisor Series							
June 30, 2018	16.97	53 252	3 138	2.22	2.22	24.23	0.13
Dec. 31, 2017	17.61	46 086	2 617	2.37 ⁴	2.37	18.10	0.11
Dec. 31, 2016	14.02	27 669	1 974	2.45	2.45	20.89	0.16
Dec. 31, 2015	13.89	20 707	1 491	2.44	2.44	24.03	0.17
Dec. 31, 2014	13.08	9 308	712	2.44	2.44	38.68	0.21
Dec. 31, 2013	11.48	3 870	337	2.41	2.41	42.50	0.25
Series T5							
June 30, 2018	15.95	627	39	2.22	2.22	24.23	0.13
Dec. 31, 2017 ⁵	16.97	110	6	2.41 ⁴	2.41	18.10	0.11
Series D							
June 30, 2018	17.45	53 964	3 093	1.26	1.26	24.23	0.13
Dec. 31, 2017	18.02	52 594	2 919	1.42 ⁴	1.42	18.10	0.11
Dec. 31, 2016	14.28	30 009	2 102	1.48	1.48	20.89	0.16
Dec. 31, 2015	14.07	27 124	1 927	1.48	1.48	24.03	0.17
Dec. 31, 2014	13.25	19 721	1 489	1.48	1.48	38.68	0.21
Dec. 31, 2013	11.61	13 121	1 130	1.48	1.48	42.50	0.25
Series F							
June 30, 2018	17.59	437 341	24 859	0.99	0.99	24.23	0.13
Dec. 31, 2017	18.14	336 369	18 539	1.13 ⁴	1.13	18.10	0.11
Dec. 31, 2016	14.38	138 306	9 619	1.20	1.20	20.89	0.16
Dec. 31, 2015	14.17	76 433	5 395	1.19	1.19	24.03	0.17
Dec. 31, 2014	13.33	14 802	1 111	1.20	1.20	38.68	0.21
Dec. 31, 2013	11.63	3 400	292	1.19	1.19	42.50	0.25



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	16.64	2 322	140	0.98	0.98	24.23	0.13
Dec. 31, 2017 ⁵	17.60	1 653	94	1.13 ⁴	1.13	18.10	0.11
Series O							
June 30, 2018	17.72	3 426 614	193 428	0.16	0.16	24.23	0.13
Dec. 31, 2017	18.19	3 198 176	175 779	0.24 ⁴	0.24	18.10	0.11
Dec. 31, 2016	14.41	2 297 657	159 446	0.27	0.27	20.89	0.16
Dec. 31, 2015	14.20	2 093 317	147 407	0.28	0.28	24.03	0.17
Dec. 31, 2014	13.37	1 727 073	129 154	0.28	0.28	38.68	0.21
Dec. 31, 2013	11.72	1 412 998	120 577	0.28	0.28	42.50	0.25

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 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 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 October 2, 2017, the administration fees were changed in respect of Series A, Advisor Series, Series T5, Series D, Series F, Series FT5 and Series O units of the Fund. If the changes to the administration fees would have been in effect throughout 2017, the adjusted MER for each series of the Fund would be: Series A – 2.21%, Advisor Series – 2.21%, Series T5 – 2.26%, Series D – 1.26%, Series F – 0.99%, Series FT5 – 1.00% and Series O – 0.16%.

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	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series T5	1.85%	54%	46%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%
Series FT5	0.75%	—	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.

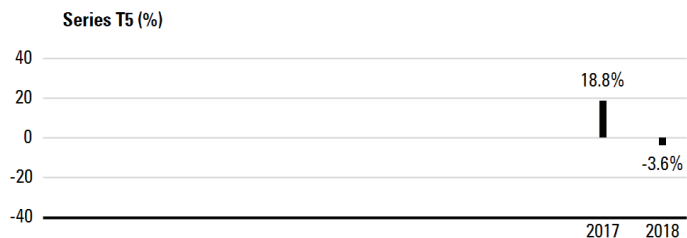
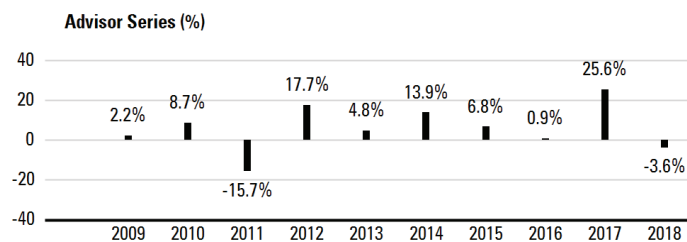
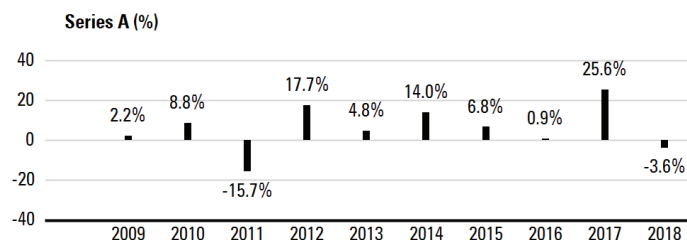


PAST PERFORMANCE

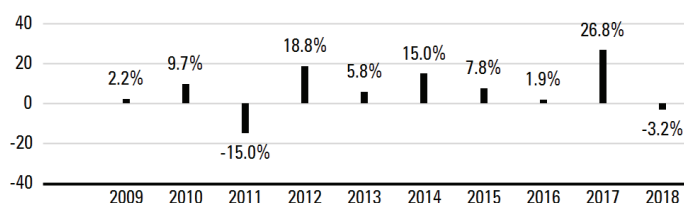
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

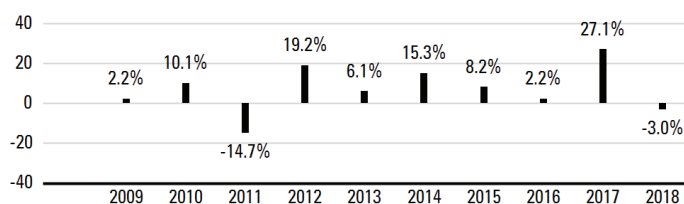
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series D (%)



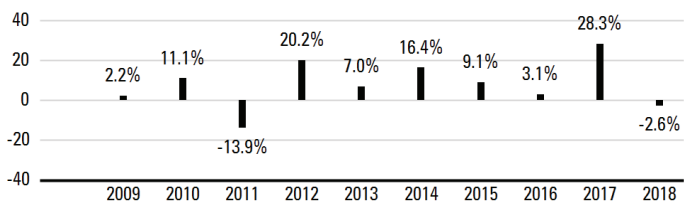
Series F (%)



Series FT5 (%)



Series O (%)



Series T5 and Series FT5 units have been available for sale to unitholders since February 15, 2017, and Series A, Advisor Series, Series D, Series F and Series O units since December 23, 2009.

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
China	14.6
South Africa	13.5
India	12.9
Taiwan	11.5
South Korea	7.0
United Kingdom	6.8
Hong Kong	5.8
Brazil	4.4
Indonesia	3.0
Peru	2.7
Philippines	2.6
Thailand	2.1
Malaysia	1.0
Other Countries	8.1
Cash/Other	4.0

Top 25 Holdings

	% of Net Asset Value
Naspers Ltd.	6.4
Tata Consultancy Services Ltd.	5.0
Housing Development Finance Corp.	4.9
Taiwan Semiconductor Manufacturing Co. Ltd.	4.7
AIA Group Ltd.	4.5
Cash & Cash Equivalents	3.7
Unilever Plc.	3.6
Antofagasta Plc.	3.1
Credicorp Ltd.	2.7
SM Investments Corp.	2.6
Shinhan Financial Group Co. Ltd.	2.5
FirstRand Ltd.	2.4
Uni-President Enterprises Corp.	2.3
China Mobile (Hong Kong) Ltd.	2.2
Alibaba Group Holding Ltd. ADR	2.2
Banco do Brasil S.A.	2.2
Mondi Ltd.	2.1
Dr. Reddy's Laboratories Ltd. ADR	2.0
Ping An Insurance Group Company of China Ltd.	2.0
Fuyao Glass Industry Group Co. Ltd.	1.9
Baidu.com Inc. ADR	1.9
PT Bank Central Asia Tbk	1.6
Clicks Group Ltd.	1.6
ENKA Insaat ve Sanayi A.S.	1.4
Standard Foods Corp.	1.4
Top 25 Holdings	70.9

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.



INTERNATIONAL EQUITY FUND

**RBC EMERGING MARKETS
SMALL-CAP EQUITY FUND**

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

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 small-cap companies located or active in emerging markets.

To achieve the Fund's objectives, the portfolio manager selects equity securities of companies in emerging-market countries, including, but not limited to, China, Brazil, South Korea, Taiwan, India, South Africa, Russia, Mexico, Peru, Malaysia, Indonesia, Turkey, Chile, Thailand and Poland. The Fund's investment process is based primarily on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection is ultimately based on an understanding of the company, its business and its outlook. The portfolio manager also assesses the economic outlook in each emerging-market region, including expected growth, market valuations and economic trends. The Fund is diversified by sector and emerging market country to help reduce risk.

Results of Operations

The Fund's net asset value was \$561 million as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 0.8%. 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.

After a strong run in 2017, the outlook for emerging-market equities darkened in the first half of 2018 because of U.S. efforts to boost tariffs on Chinese goods and the negative impact of a rise in the U.S. dollar, the latter linked to higher U.S. bond yields. The Fund's returns were held back by a combination of sector and stock selection.

The Fund benefited from stock selection during the period, particularly in India, Thailand and Brazil. The positive impact of stock selection in these countries offset the negative impact of having a relatively small allocation to China and relatively large overall allocations to the Philippines and India.

At the sector level, stock selection in Health Care, Materials and Financials sectors added to relative returns, while a relatively high allocation to Financials and relatively low overall allocations to Real Estate and Health Care offset some of the gains.

Some of the Fund's largest positions were top performers in the portfolio. Shares of Aeon Thana, a Thai financial company, significantly outperformed during the period due to strong results and regulatory restrictions that analysts expect to hinder its peers. Cyient, an Indian provider of information-technology services, performed well amid strong revenue and earnings growth and also benefited from recent weakness in India's currency, the rupee.

Holdings in Kakao M, formerly Loen Entertainment, also hurt relative returns after a period of strong performance. The sub-advisor sold the Fund's stake in the company given excessive valuations and rising competitive pressures. Shares of luggage company Samsonite declined after the company's accounting practices came under scrutiny, leading to the resignation of the chief executive. The sub-advisor added exposure to Samsonite after the stock decline.

Recent Developments

Emerging-market valuations are attractive, particularly relative to developed markets, following significant underperformance over the past seven years. The rate of emerging-market economic growth relative to developed markets is picking up, and earnings in emerging markets are benefiting from improved productivity and economic reforms.

The sub-advisor remains somewhat optimistic about the outlook for emerging-market currencies, which are supported by cheap valuations, high inflation-adjusted interest rates and current-account surpluses. The remainder of 2018 will be focused on elections in Brazil, Mexico, Malaysia and Thailand and on what the sub-advisor expects will be more – albeit gradual – increases in U.S. bond yields.

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.



Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.

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	Total	
Series A												
June 30, 2018	14.18	0.22	(0.16)	0.18	(0.40)	(0.16)	—	—	—	—	—	14.05
Dec. 31, 2017	12.42	0.47	(0.32)	0.26	1.20	1.61	—	(0.11)	(0.09)	—	(0.20)	14.18
Dec. 31, 2016	12.38	0.30	(0.30)	0.15	(0.08)	0.07	—	—	(0.09)	—	(0.09)	12.42
Dec. 31, 2015	11.51	0.33	(0.29)	0.31	0.75	1.10	—	—	(0.25)	—	(0.25)	12.38
Dec. 31, 2014	10.14	0.28	(0.27)	0.14	1.10	1.25	—	—	(0.11)	—	(0.11)	11.51
Dec. 31, 2013 ³	10.00 [†]	—	(0.14)	(0.04)	0.30	0.12	—	—	—	—	—	10.12
Advisor Series												
June 30, 2018	14.13	0.22	(0.16)	0.18	(0.33)	(0.09)	—	—	—	—	—	14.01
Dec. 31, 2017	12.39	0.47	(0.33)	0.26	1.43	1.83	—	(0.11)	(0.09)	—	(0.20)	14.13
Dec. 31, 2016	12.35	0.30	(0.31)	0.15	0.06	0.20	—	—	(0.09)	—	(0.09)	12.39
Dec. 31, 2015	11.50	0.34	(0.31)	0.32	0.78	1.13	—	—	(0.25)	—	(0.25)	12.35
Dec. 31, 2014	10.14	0.22	(0.29)	0.11	0.87	0.91	—	—	(0.11)	—	(0.11)	11.50
Dec. 31, 2013 ³	10.00 [†]	—	(0.14)	(0.04)	0.30	0.12	—	—	—	—	—	10.12
Series D												
June 30, 2018	14.33	0.22	(0.10)	0.19	(0.45)	(0.14)	—	—	—	—	—	14.27
Dec. 31, 2017	12.56	0.48	(0.21)	0.26	1.21	1.74	—	(0.23)	(0.09)	—	(0.32)	14.33
Dec. 31, 2016	12.50	0.31	(0.20)	0.15	(0.28)	(0.02)	—	(0.08)	(0.10)	—	(0.18)	12.56
Dec. 31, 2015	11.60	0.33	(0.20)	0.32	0.76	1.21	—	(0.07)	(0.25)	—	(0.32)	12.50
Dec. 31, 2014	10.17	0.28	(0.18)	0.13	1.09	1.32	—	(0.04)	(0.11)	—	(0.15)	11.60
Dec. 31, 2013 ³	10.00 [†]	—	(0.09)	(0.04)	0.30	0.17	—	—	—	—	—	10.15
Series F												
June 30, 2018	14.41	0.23	(0.08)	0.19	(0.46)	(0.12)	—	—	—	—	—	14.36
Dec. 31, 2017	12.63	0.48	(0.18)	0.27	1.64	2.21	—	(0.27)	(0.09)	—	(0.36)	14.41
Dec. 31, 2016	12.57	0.31	(0.17)	0.15	(0.23)	0.06	—	(0.12)	(0.10)	—	(0.22)	12.63
Dec. 31, 2015	11.67	0.33	(0.17)	0.31	0.76	1.23	—	(0.11)	(0.25)	—	(0.36)	12.57
Dec. 31, 2014	10.19	0.22	(0.15)	0.11	0.89	1.07	—	(0.03)	(0.11)	—	(0.14)	11.67
Dec. 31, 2013 ³	10.00 [†]	—	(0.07)	(0.04)	0.29	0.18	—	—	—	—	—	10.17



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	Total	
Series O												
June 30, 2018	14.47	0.23	(0.01)	0.19	(0.44)	(0.03)	—	—	—	—	—	14.49
Dec. 31, 2017	12.67	0.48	(0.03)	0.27	1.57	2.29	—	(0.42)	(0.09)	—	(0.51)	14.47
Dec. 31, 2016	12.62	0.31	(0.04)	0.16	0.03	0.46	—	(0.26)	(0.10)	—	(0.36)	12.67
Dec. 31, 2015	11.72	0.34	(0.03)	0.32	0.77	1.40	—	(0.25)	(0.25)	—	(0.50)	12.62
Dec. 31, 2014	10.24	0.28	(0.03)	0.13	1.09	1.47	(0.02)	(0.13)	(0.11)	—	(0.26)	11.72
Dec. 31, 2013 ⁴	10.00 [†]	—	(0.02)	(0.04)	0.32	0.26	—	—	—	—	—	10.21

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 August 12, 2013.

⁴ From June 10, 2013.

[†] 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	14.05	6 478	461	2.20	2.20	19.53	0.15
Dec. 31, 2017	14.18	6 071	428	2.35 ⁴	2.35	23.20	0.15
Dec. 31, 2016	12.42	3 250	262	2.41	2.41	26.09	0.17
Dec. 31, 2015	12.38	2 465	199	2.38	2.38	24.73	0.22
Dec. 31, 2014	11.51	1 509	131	2.42	2.42	30.77	0.36
Dec. 31, 2013 ⁵	10.14	492	48	2.41	2.41	22.87	0.29
Advisor Series							
June 30, 2018	14.01	3 108	222	2.24	2.24	19.53	0.15
Dec. 31, 2017	14.13	3 434	243	2.40 ⁴	2.40	23.20	0.15
Dec. 31, 2016	12.39	2 453	198	2.46	2.46	26.09	0.17
Dec. 31, 2015	12.35	1 749	142	2.50	2.50	24.73	0.22
Dec. 31, 2014	11.50	4 402	383	2.51	2.51	30.77	0.36
Dec. 31, 2013 ⁵	10.14	230	23	2.48	2.48	22.87	0.29
Series D							
June 30, 2018	14.27	4 895	343	1.38	1.38	19.53	0.15
Dec. 31, 2017	14.33	4 486	313	1.54 ⁴	1.54	23.20	0.15
Dec. 31, 2016	12.56	2 900	231	1.60	1.60	26.09	0.17
Dec. 31, 2015	12.50	2 086	167	1.60	1.60	24.73	0.22
Dec. 31, 2014	11.60	1 008	87	1.59	1.59	30.77	0.36
Dec. 31, 2013 ⁵	10.17	242	24	1.58	1.58	22.87	0.29
Series F							
June 30, 2018	14.36	40 373	2 811	1.13	1.13	19.53	0.15
Dec. 31, 2017	14.41	33 207	2 305	1.30 ⁴	1.30	23.20	0.15
Dec. 31, 2016	12.63	25 466	2 017	1.36	1.36	26.09	0.17
Dec. 31, 2015	12.57	14 680	1 168	1.32	1.32	24.73	0.22
Dec. 31, 2014	11.67	430	37	1.27	1.27	30.77	0.36
Dec. 31, 2013 ⁵	10.19	26	3	1.26	1.26	22.87	0.29



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 O							
June 30, 2018	14.49	506 188	34 931	0.16	0.16	19.53	0.15
Dec. 31, 2017	14.47	444 636	30 734	0.24 ⁴	0.24	23.20	0.15
Dec. 31, 2016	12.67	348 422	27 500	0.27	0.27	26.09	0.17
Dec. 31, 2015	12.62	291 706	23 114	0.28	0.28	24.73	0.22
Dec. 31, 2014	11.72	193 849	16 545	0.28	0.28	30.77	0.36
Dec. 31, 2013 ⁶	10.24	62 320	6 088	0.28	0.28	22.87	0.29

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 October 2, 2017, the administration fees were changed in respect of Series A, Advisor Series, Series D, Series F and Series O units of the Fund. If the changes to the administration fees would have been in effect throughout 2017, the adjusted MER for each series of the Fund would be: Series A – 2.19%, Advisor Series – 2.23%, Series D – 1.38%, Series F – 1.13% and Series O – 0.16%.

⁵ From August 12, 2013.

⁶ From June 10, 2013.

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	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	—	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.

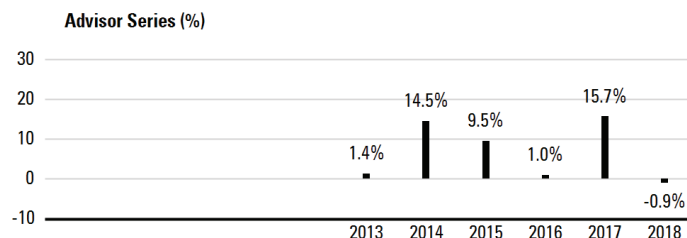
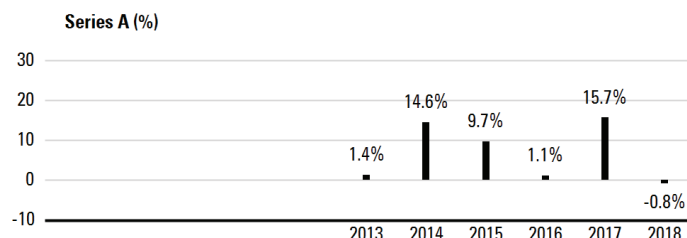


PAST PERFORMANCE

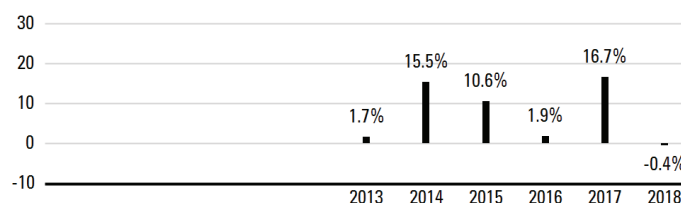
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

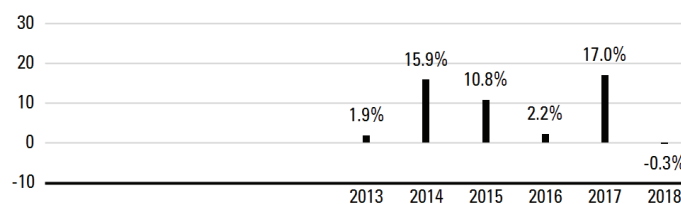
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



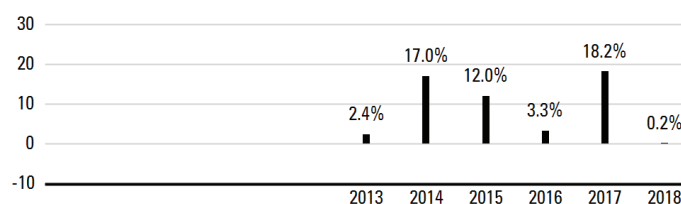
Series D (%)



Series F (%)



Series O (%)



Series A, Advisor Series, Series D and Series F units have been available for sale to unitholders since August 12, 2013, and Series O units since June 10, 2013.

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
India	19.4
Taiwan	10.0
South Korea	9.0
Brazil	6.5
Hong Kong	6.5
Thailand	6.1
South Africa	5.1
Philippines	4.9
China	4.7
Chile	4.2
Mexico	3.2
Indonesia	2.0
United Arab Emirates	1.9
Other Countries	9.1
Cash/Other	7.4

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	7.3
Infotech Enterprises Ltd.	4.6
AVI Ltd.	4.1
Godrej Industries Ltd.	3.5
Bajaj Holdings & Investment Ltd.	3.1
Marico Ltd.	2.8
Aeon Thana Sinsap Thailand PCL, Subscription Receipts	2.8
Koh Young Technology Inc.	2.4
TI Financial Holdings Ltd.	2.4
Sundaram Finance Ltd.	2.3
Chroma ATE Inc.	2.2
Samsonite International S.A.	2.2
Inversiones Aguas Metropolitanas S.A.	2.2
Century Pacific Food Inc.	2.1
Standard Foods Corp.	2.1
Delta Electronics Thailand PCL	2.1
Vitasoy International Holdings Ltd.	2.0
Wistron NeWeb Corp.	2.0
Mahle-Metal Leve S.A.	2.0
Hatton National Bank Plc.	2.0
Aramex PJSC, Participation Notes	1.9
Duratex S.A.	1.9
Amorepacific Corp. Preference	1.9
DGB Financial Group Inc.	1.9
China BlueChemical Ltd.	1.7
Top 25 Holdings	65.5

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.



GLOBAL EQUITY FUND

RBC GLOBAL DIVIDEND GROWTH FUND

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

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 a diversified mix of companies operating in various countries around the world across a range of sectors that may grow their dividends over time.

The Fund invests in stocks that have undergone a selection process emphasizing companies with a sustainable competitive advantage, high and sustainable profitability and strong management teams.

Results of Operations

The Fund's net asset value was \$3.0 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 6.2%. 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.

Global equity markets were mixed during the first half of 2018. U.S. stocks gained during the period and markets in Europe and Japan declined in local-currency terms but rose slightly in Canadian-dollar terms. The period was also marked by the return of volatility in financial markets driven by an escalating trade dispute between the U.S. and China, concern about higher inflation and steps taken by central banks to tighten monetary policy.

The period was characterized by large differences in performance among industry sectors and regions. The Information Technology, Consumer Discretionary and Energy sectors were by far the best-performing sectors, while Financials, especially in Europe, struggled in an uncertain political environment. The Consumer Staples and Utilities sectors, which offer high-dividend yields, underperformed against a competing backdrop of rising bond yields.

The Fund outperformed during the period driven by holdings in the Financials and Consumer Staples sectors. Allocations to the Information Technology and Health Care sectors proved a small negative for relative returns.

TJX, the U.S. discount retailer, contributed the most to relative returns, followed by Inuit, a U.S. developer of accounting software for individuals and small businesses. German shipper Deutsche Post DHL had the most negative impact on relative returns, followed by Amazon, the U.S. internet retailer and cloud-computing provider.

Recent Developments

There are several questions dogging stock-market investors these days, among them whether companies are relying excessively on cheap funding to bolster returns. The sub-advisor, however, is more concerned about the potential impact of the tariff dispute between the U.S. and China. The unease caused by the conflict has led to increased equity-market volatility that can create investment opportunities for stock pickers. While the next 12 months may prove more volatile, the sub-advisor believes in its ability to find well-run companies that will provide attractive returns over the long term.

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.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.



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 \$53,000 (2017 – \$231,000) or 7% (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	Total		
Series A													
June 30, 2018	14.80	0.20	(0.16)	0.45	0.43	0.92	—	—	—	—	—	15.73	
Dec. 31, 2017	12.62	0.33	(0.29)	0.58	1.67	2.29	—	(0.01)	(0.09)	—	(0.10)	14.80	
Dec. 31, 2016	13.34	0.32	(0.27)	0.19	(0.86)	(0.62)	—	(0.02)	(0.10)	—	(0.12)	12.62	
Dec. 31, 2015	12.23	0.34	(0.31)	1.65	0.55	2.23	—	(0.02)	(1.28)	—	(1.30)	13.34	
Dec. 31, 2014	11.94	0.40	(0.28)	2.22	(0.54)	1.80	—	(0.13)	(1.15)	—	(1.28)	12.23	
Dec. 31, 2013	8.80	0.25	(0.23)	1.60	1.56	3.18	—	(0.03)	—	—	(0.03)	11.94	
Advisor Series													
June 30, 2018	14.98	0.20	(0.16)	0.46	0.43	0.93	—	—	—	—	—	15.92	
Dec. 31, 2017	12.77	0.33	(0.29)	0.59	1.69	2.32	—	(0.02)	(0.09)	—	(0.11)	14.98	
Dec. 31, 2016	13.50	0.32	(0.27)	0.20	(0.89)	(0.64)	—	(0.03)	(0.10)	—	(0.13)	12.77	
Dec. 31, 2015	12.37	0.34	(0.32)	1.65	0.55	2.22	—	(0.03)	(1.29)	—	(1.32)	13.50	
Dec. 31, 2014	12.06	0.40	(0.29)	2.20	(0.53)	1.78	—	(0.11)	(1.16)	—	(1.27)	12.37	
Dec. 31, 2013	8.88	0.26	(0.23)	1.62	1.57	3.22	—	(0.03)	—	—	(0.03)	12.06	
Series T5													
June 30, 2018	12.57	0.17	(0.13)	0.38	0.33	0.75	—	(0.06)	—	(0.26)	(0.32)	13.03	
Dec. 31, 2017	11.14	0.29	(0.25)	0.50	1.45	1.99	—	(0.05)	(0.06)	(0.45)	(0.56)	12.57	
Dec. 31, 2016	12.33	0.29	(0.24)	0.17	(0.72)	(0.50)	—	(0.04)	(0.08)	(0.50)	(0.62)	11.14	
Dec. 31, 2015	11.45	0.30	(0.28)	1.49	0.50	2.01	—	(0.03)	(1.35)	—	(1.38)	12.33	
Dec. 31, 2014	11.39	0.37	(0.26)	2.06	(0.50)	1.67	—	(0.09)	(1.33)	—	(1.42)	11.45	
Dec. 31, 2013	8.74	0.24	(0.24)	1.54	1.49	3.03	—	(0.03)	—	(0.41)	(0.44)	11.39	
Series T8													
June 30, 2018	9.14	0.12	(0.09)	0.28	0.23	0.54	—	(0.05)	—	(0.32)	(0.37)	9.34	
Dec. 31, 2017	8.34	0.21	(0.18)	0.37	1.05	1.45	—	(0.04)	(0.05)	(0.58)	(0.67)	9.14	
Dec. 31, 2016	9.55	0.22	(0.18)	0.13	(0.69)	(0.52)	—	(0.03)	(0.06)	(0.67)	(0.76)	8.34	
Dec. 31, 2015	8.97	0.23	(0.22)	1.14	0.38	1.53	—	(0.02)	(1.14)	—	(1.16)	9.55	
Dec. 31, 2014	8.85	0.29	(0.20)	1.58	(0.38)	1.29	—	(0.07)	(0.94)	—	(1.01)	8.97	
Dec. 31, 2013	6.98	0.19	(0.18)	1.23	1.19	2.43	—	(0.02)	—	(0.54)	(0.56)	8.85	
Series D													
June 30, 2018	15.05	0.20	(0.10)	0.46	0.44	1.00	—	—	—	—	—	16.06	
Dec. 31, 2017	12.83	0.34	(0.18)	0.60	1.68	2.44	—	(0.15)	(0.09)	—	(0.24)	15.05	
Dec. 31, 2016	13.57	0.33	(0.16)	0.20	(1.03)	(0.66)	—	(0.14)	(0.10)	—	(0.24)	12.83	
Dec. 31, 2015	12.45	0.34	(0.18)	1.67	0.56	2.39	—	(0.17)	(1.31)	—	(1.48)	13.57	
Dec. 31, 2014	12.10	0.40	(0.16)	2.22	(0.54)	1.92	—	(0.20)	(1.17)	—	(1.37)	12.45	
Dec. 31, 2013	8.88	0.26	(0.13)	1.62	1.58	3.33	—	(0.10)	—	—	(0.10)	12.10	



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		
											Total	
Series F												
June 30, 2018	16.03	0.22	(0.08)	0.49	0.45	1.08	—	—	—	—	—	17.13
Dec. 31, 2017	13.67	0.36	(0.15)	0.64	1.76	2.61	—	(0.22)	(0.09)	—	(0.31)	16.03
Dec. 31, 2016	14.46	0.35	(0.13)	0.21	(0.66)	(0.23)	—	(0.18)	(0.11)	—	(0.29)	13.67
Dec. 31, 2015	13.26	0.36	(0.15)	1.75	0.59	2.55	—	(0.22)	(1.40)	—	(1.62)	14.46
Dec. 31, 2014	12.89	0.41	(0.14)	2.28	(0.55)	2.00	—	(0.23)	(1.26)	—	(1.49)	13.26
Dec. 31, 2013	9.45	0.27	(0.11)	1.73	1.68	3.57	—	(0.14)	—	—	(0.14)	12.88
Series FT5												
June 30, 2018	15.20	0.20	(0.07)	0.46	0.40	0.99	—	(0.22)	—	(0.16)	(0.38)	15.86
Dec. 31, 2017	13.32	0.34	(0.14)	0.60	2.41	3.21	—	(0.20)	(0.18)	(0.29)	(0.67)	15.20
Dec. 31, 2016 ³	13.66 [†]	0.31	(0.12)	0.19	0.55	0.93	—	(0.16)	(0.25)	(0.22)	(0.63)	13.32
Series O												
June 30, 2018	14.96	0.20	—	0.46	0.46	1.12	—	—	—	—	—	16.06
Dec. 31, 2017	12.76	0.34	—	0.60	1.71	2.65	—	(0.35)	(0.09)	—	(0.44)	14.96
Dec. 31, 2016	13.50	0.33	—	0.20	(0.76)	(0.23)	—	(0.31)	(0.10)	—	(0.41)	12.76
Dec. 31, 2015	12.40	0.34	—	1.69	0.57	2.60	—	(0.35)	(1.33)	—	(1.68)	13.50
Dec. 31, 2014	12.24	0.37	—	2.06	(0.50)	1.93	—	(0.56)	(1.17)	—	(1.73)	12.40
Dec. 31, 2013	9.00	0.26	—	1.66	1.61	3.53	—	(0.27)	—	—	(0.27)	12.24

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 January 25, 2016.

[†] 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	15.73	382 848	24 345	2.14	2.14	26.68	0.05
Dec. 31, 2017	14.80	361 740	24 441	2.14	2.14	33.21	0.12
Dec. 31, 2016	12.62	344 522	27 306	2.19 ⁴	2.19	152.59	0.36
Dec. 31, 2015	13.34	388 783	29 137	2.25	2.25	130.01	0.32
Dec. 31, 2014	12.23	251 698	20 581	2.25	2.25	155.90	0.39
Dec. 31, 2013	11.94	207 142	17 348	2.26	2.26	143.17	0.36
Advisor Series							
June 30, 2018	15.92	80 992	5 089	2.10	2.10	26.68	0.05
Dec. 31, 2017	14.98	71 734	4 790	2.09	2.09	33.21	0.12
Dec. 31, 2016	12.77	68 591	5 373	2.16 ⁴	2.16	152.59	0.36
Dec. 31, 2015	13.50	84 851	6 285	2.23	2.23	130.01	0.32
Dec. 31, 2014	12.37	26 567	2 148	2.24	2.24	155.90	0.39
Dec. 31, 2013	12.06	14 769	1 225	2.24	2.24	143.17	0.36



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 T5							
June 30, 2018	13.03	3 117	239	2.09	2.09	26.68	0.05
Dec. 31, 2017	12.57	2 634	210	2.08	2.08	33.21	0.12
Dec. 31, 2016	11.14	3 515	315	2.15 ⁴	2.15	152.59	0.36
Dec. 31, 2015	12.33	3 596	292	2.18	2.18	130.01	0.32
Dec. 31, 2014	11.45	1 107	97	2.18	2.18	155.90	0.39
Dec. 31, 2013	11.39	691	61	2.27	2.27	143.17	0.36
Series T8							
June 30, 2018	9.34	7 089	759	2.04	2.04	26.68	0.05
Dec. 31, 2017	9.14	6 207	679	2.04	2.04	33.21	0.12
Dec. 31, 2016	8.34	6 001	720	2.13 ⁴	2.13	152.59	0.36
Dec. 31, 2015	9.55	7 078	741	2.21	2.21	130.01	0.32
Dec. 31, 2014	8.97	1 664	185	2.22	2.22	155.90	0.39
Dec. 31, 2013	8.85	1 027	116	2.24	2.24	143.17	0.36
Series D							
June 30, 2018	16.06	38 319	2 387	1.26	1.26	26.68	0.05
Dec. 31, 2017	15.05	32 042	2 130	1.27	1.27	33.21	0.12
Dec. 31, 2016	12.83	29 469	2 297	1.26	1.26	152.59	0.36
Dec. 31, 2015	13.57	37 755	2 783	1.27	1.27	130.01	0.32
Dec. 31, 2014	12.45	12 482	1 003	1.26	1.26	155.90	0.39
Dec. 31, 2013	12.10	6 521	539	1.27	1.27	143.17	0.36
Series F							
June 30, 2018	17.13	147 078	8 587	0.99	0.99	26.68	0.05
Dec. 31, 2017	16.03	102 878	6 419	0.99	0.99	33.21	0.12
Dec. 31, 2016	13.67	64 757	4 736	1.00	1.00	152.59	0.36
Dec. 31, 2015	14.46	43 949	3 040	1.00	1.00	130.01	0.32
Dec. 31, 2014	13.26	6 324	477	1.00	1.00	155.90	0.39
Dec. 31, 2013	12.89	2 273	176	0.99	0.99	143.17	0.36
Series FT5							
June 30, 2018	15.86	794	50	0.95	0.95	26.68	0.05
Dec. 31, 2017	15.20	590	39	0.95	0.95	33.21	0.12
Dec. 31, 2016 ⁵	13.32	171	13	0.94	0.94	152.59	0.36
Series O							
June 30, 2018	16.06	2 332 459	145 229	0.02	0.02	26.68	0.05
Dec. 31, 2017	14.96	2 205 862	147 476	0.02	0.02	33.21	0.12
Dec. 31, 2016	12.76	1 876 674	147 056	0.02	0.02	152.59	0.36
Dec. 31, 2015	13.50	1 645 546	121 922	0.02	0.02	130.01	0.32
Dec. 31, 2014	12.40	1 248 577	100 686	0.02	0.02	155.90	0.39
Dec. 31, 2013	12.24	632 520	51 672	0.02	0.02	143.17	0.36

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 T5 and Series T8 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 – 2.14%, Advisor Series – 2.10%, Series T5 – 2.09% and Series T8 – 2.07%.

⁵ From January 25, 2016.



FINANCIAL HIGHLIGHTS (cont.)

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	1.75%	62%	38%
Advisor Series	1.75%	62%	38%
Series T5	1.75%	62%	38%
Series T8	1.75%	62%	38%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%
Series FT5	0.75%	—	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.

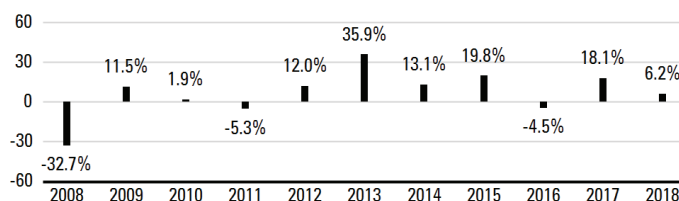
PAST PERFORMANCE

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.

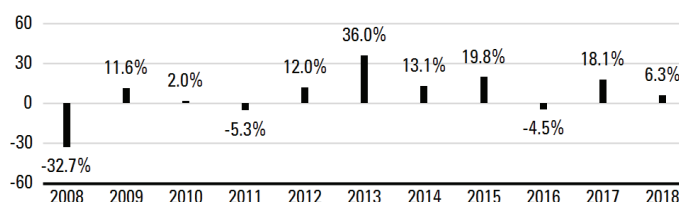
Year-by-Year Returns (%)

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.

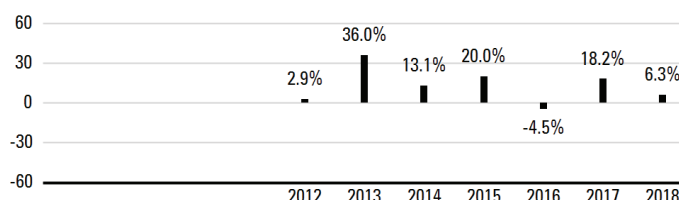
Series A (%)



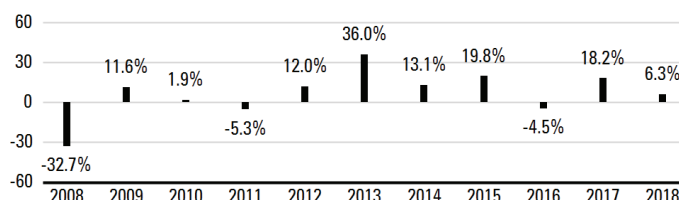
Advisor Series (%)



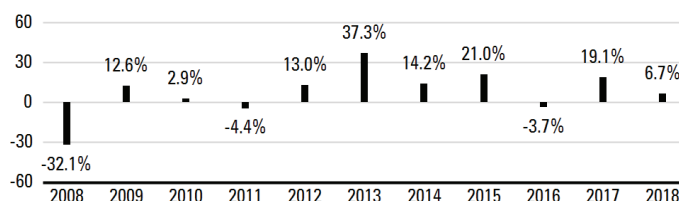
Series T5 (%)



Series T8 (%)

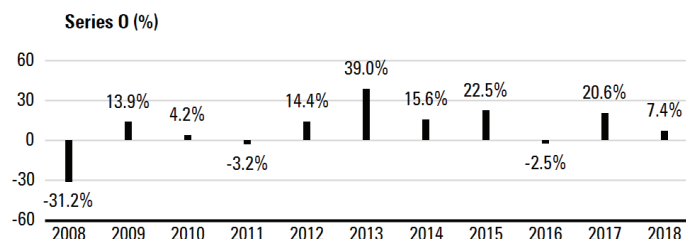
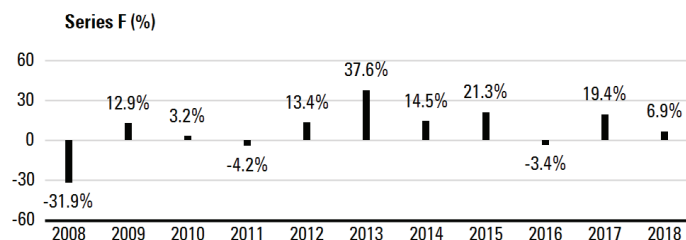


Series D (%)





PAST PERFORMANCE (cont.)



Series FT5 units have been available for sale to unitholders since January 25, 2016, and Series T5 units since September 24, 2012.

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
United States	55.2
United Kingdom	11.4
Japan	6.4
Taiwan	4.2
Switzerland	4.0
Germany	3.1
Belgium	2.8
Netherlands	2.7
Hong Kong	2.3
India	2.3
South Africa	1.7
Ireland	1.6
Denmark	1.5
Cash/Other	0.8

Top 25 Holdings

	% of Net Asset Value
Microsoft Corp.	5.6
UnitedHealth Group Incorporated	4.5
TJX Companies Inc.	4.4
Estée Lauder Companies Inc., Class A	4.2
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.2
Blackstone Group LP	4.0
EOG Resources Inc.	3.9
InterContinental Hotels Group Plc.	3.6
JPMorgan Chase & Co.	3.4
Roche Holdings AG Genusschein	3.3
First Republic Bank	3.2
Deutsche Post AG	3.1
Anheuser-Busch InBev S.A./N.V.	2.8
Unilever N.V.	2.7
Sempra Energy	2.7
Citigroup Inc.	2.6
Royal Dutch Shell Plc., B Shares	2.4
Broadcom Inc.	2.4
Danaher Corp.	2.4
Fortive Corp.	2.3
HDFC Bank Ltd. ADR	2.3
AIA Group Ltd.	2.3
Occidental Petroleum Corp.	2.2
Croda International Plc.	2.2
MISUMI Group Inc.	2.1
Top 25 Holdings	78.8

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.



GLOBAL EQUITY FUND

**RBC GLOBAL DIVIDEND GROWTH
CURRENCY NEUTRAL FUND**

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

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 a diversified mix of companies operating in various countries around the world across a range of sectors that may grow their dividends over time, while minimizing the exposure to currency fluctuations between foreign currencies and the Canadian dollar. The Fund may also invest in other mutual funds managed by RBC GAM or an affiliate.

The Fund invests in stocks that have undergone a selection process emphasizing companies with a sustainable competitive advantage, high and sustainable profitability and strong management teams. The Fund uses currency hedges to minimize the impact of fluctuations in foreign currencies versus the Canadian dollar.

Results of Operations

The Fund's net asset value was \$31 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 2.2%. 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.

Global equity markets were mixed during the first half of 2018. U.S. stocks gained during the period and markets in Europe and Japan declined in local-currency terms but rose slightly in Canadian-dollar terms. The period was marked by the return of volatility in financial markets driven by an escalating trade dispute between the U.S. and China, concern about higher inflation and steps taken by central banks to tighten monetary policy.

The period was also characterized by large differences in performance among industry sectors and regions. The Information Technology, Consumer Discretionary and Energy sectors were by far the best-performing sectors, while Financials, especially in Europe, struggled in an uncertain political environment. The Consumer Staples and Utilities sectors, which offer high-dividend yields, underperformed against a competing backdrop of rising bond yields.

The Fund outperformed during the period driven by holdings in the Financials and Consumer Staples sectors. Allocations to the Information Technology and Health Care sectors proved a small negative for relative returns.

TJX, the U.S. discount retailer, contributed the most to relative returns, followed by Inuit, a U.S. developer of accounting software for individuals and small businesses. German shipper Deutsche Post DHL had the most negative impact on relative returns, followed by Amazon, the U.S. internet retailer and cloud-computing provider.

It is the policy of the Fund to maintain currency hedges in order to neutralize exchange-rate movements between the Canadian dollar and currencies of other developed markets. Given this approach, unitholders did not benefit from the rise of currencies against the Canadian dollar during the period.

Recent Developments

There are several questions dogging stock-market investors these days, among them whether companies are relying excessively on cheap funding to bolster returns. The sub-advisor, however, is more concerned about the potential impact of the tariff dispute between the U.S. and China. The unease caused by the conflict has led to increased equity-market volatility that can create investment opportunities for stock pickers. While the next 12 months may prove more volatile, the sub-advisor believes in its ability to find well-run companies that will provide attractive returns over the long term.

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.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.



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 \$1,000 (2017 – \$1,000) or 7% (2017 – 6%) 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	Total		
Series A													
June 30, 2018	12.49	0.17	(0.13)	(0.01)	0.17	0.20	—	—	—	—	—	12.77	
Dec. 31, 2017	10.36	0.23	(0.24)	0.41	1.80	2.20	—	—	(0.11)	—	(0.11)	12.49	
Dec. 31, 2016 ³	10.00 [†]	0.13	(0.14)	(0.03)	0.32	0.28	—	—	(0.03)	—	(0.03)	10.36	
Advisor Series													
June 30, 2018	12.47	0.16	(0.13)	(0.01)	0.10	0.12	—	—	—	—	—	12.74	
Dec. 31, 2017	10.36	0.26	(0.26)	0.47	1.83	2.30	—	—	(0.11)	—	(0.11)	12.47	
Dec. 31, 2016 ³	10.00 [†]	0.13	(0.14)	(0.03)	0.24	0.20	—	—	(0.03)	—	(0.03)	10.36	
Series T5													
June 30, 2018	11.68	0.15	(0.12)	(0.01)	(0.13)	(0.11)	—	(0.26)	—	(0.03)	(0.29)	11.64	
Dec. 31, 2017	10.05	0.35	(0.23)	0.64	3.48	4.24	—	(0.29)	(0.16)	(0.05)	(0.50)	11.68	
Dec. 31, 2016 ³	10.00 [†]	0.07	(0.14)	(0.02)	(0.82)	(0.91)	—	—	(0.13)	(0.20)	(0.33)	10.05	
Series D													
June 30, 2018	12.60	0.17	(0.08)	(0.01)	0.15	0.23	—	—	—	—	—	12.93	
Dec. 31, 2017	10.41	0.21	(0.16)	0.38	2.14	2.57	—	(0.05)	(0.10)	—	(0.15)	12.60	
Dec. 31, 2016 ³	10.00 [†]	0.13	(0.09)	(0.03)	0.11	0.12	—	—	(0.03)	—	(0.03)	10.41	
Series F													
June 30, 2018	12.60	0.17	(0.06)	(0.01)	0.24	0.34	—	—	—	—	—	12.95	
Dec. 31, 2017	10.42	0.25	(0.11)	0.46	1.77	2.37	—	(0.09)	(0.11)	—	(0.20)	12.60	
Dec. 31, 2016 ³	10.00 [†]	0.09	(0.06)	(0.02)	0.99	1.00	—	(0.01)	(0.03)	—	(0.04)	10.42	
Series FT5													
June 30, 2018	11.91	0.16	(0.06)	(0.01)	0.24	0.33	—	(0.20)	—	(0.10)	(0.30)	11.94	
Dec. 31, 2017	10.13	0.19	(0.11)	0.34	2.57	2.99	—	(0.11)	(0.22)	(0.17)	(0.50)	11.91	
Dec. 31, 2016 ³	10.00 [†]	0.14	(0.05)	(0.04)	0.45	0.50	—	(0.07)	(0.02)	(0.24)	(0.33)	10.13	
Series O													
June 30, 2018	12.58	0.17	—	(0.01)	0.25	0.41	—	—	—	—	—	12.98	
Dec. 31, 2017	10.40	0.28	—	0.51	1.71	2.50	—	(0.20)	(0.11)	—	(0.31)	12.58	
Dec. 31, 2016 ³	10.00 [†]	0.14	—	(0.03)	0.45	0.56	—	(0.10)	(0.03)	—	(0.13)	10.40	

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 May 4, 2016.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	12.77	8 275	648	2.07	2.07	34.75	0.09
Dec. 31, 2017	12.49	4 306	345	2.02	2.04	34.09	0.28
Dec. 31, 2016 ⁴	10.36	153	15	2.00	2.03	74.57	0.45
Advisor Series							
June 30, 2018	12.74	759	60	2.14	2.14	34.75	0.09
Dec. 31, 2017	12.47	210	17	2.18	2.20	34.09	0.28
Dec. 31, 2016 ⁴	10.36	53	5	2.17	2.19	74.57	0.45
Series T5							
June 30, 2018	11.64	98	8	2.14	2.14	34.75	0.09
Dec. 31, 2017	11.68	20	2	2.05	2.07	34.09	0.28
Dec. 31, 2016 ⁴	10.05	376	37	2.05	2.07	74.57	0.45
Series D							
June 30, 2018	12.93	2 423	187	1.25	1.25	34.75	0.09
Dec. 31, 2017	12.60	1 766	140	1.29	1.31	34.09	0.28
Dec. 31, 2016 ⁴	10.41	105	10	1.28	1.31	74.57	0.45
Series F							
June 30, 2018	12.95	11 690	903	0.95	0.95	34.75	0.09
Dec. 31, 2017	12.60	13 198	1 047	0.95	0.97	34.09	0.28
Dec. 31, 2016 ⁴	10.42	2 529	243	0.95	0.97	74.57	0.45
Series FT5							
June 30, 2018	11.94	49	4	0.95	0.95	34.75	0.09
Dec. 31, 2017	11.91	45	4	0.95	0.97	34.09	0.28
Dec. 31, 2016 ⁴	10.13	1	—	0.95	0.97	74.57	0.45
Series O							
June 30, 2018	12.98	7 278	561	0.02	0.02	34.75	0.09
Dec. 31, 2017	12.58	6 329	503	0.02	0.04	34.09	0.28
Dec. 31, 2016 ⁴	10.40	4 550	438	0.02	0.05	74.57	0.45

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 From May 4, 2016.



FINANCIAL HIGHLIGHTS (cont.)

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	1.75%	57%	43%
Advisor Series	1.75%	57%	43%
Series T5	1.75%	57%	43%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%
Series FT5	0.75%	—	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 A (%)



Advisor Series (%)



Series T5 (%)



Series D (%)

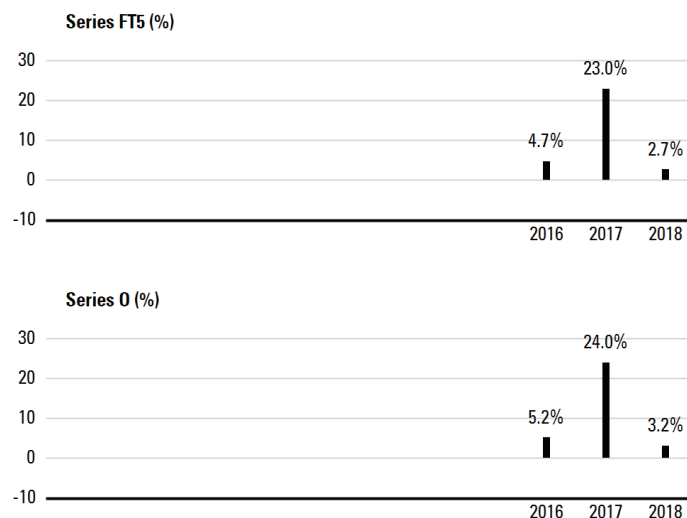


Series F (%)





PAST PERFORMANCE (cont.)



Series A, Advisor Series, Series T5, Series D, Series F, Series FT5 and Series O units have been available for sale to unitholders since May 16, 2016.

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
United States	55.5
United Kingdom	11.5
Japan	6.5
Taiwan	4.2
Switzerland	4.1
Germany	3.1
Belgium	2.9
Netherlands	2.7
Hong Kong	2.3
India	2.3
South Africa	1.8
Ireland	1.6
Denmark	1.5

Top 25 Holdings

	% of Net Asset Value
Microsoft Corp.	5.6
UnitedHealth Group Incorporated	4.5
TJX Companies Inc.	4.5
Estée Lauder Companies Inc., Class A	4.3
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4.2
Blackstone Group LP	4.0
EOG Resources Inc.	3.9
InterContinental Hotels Group Plc.	3.6
JPMorgan Chase & Co.	3.4
Roche Holdings AG Genusscheine	3.3
First Republic Bank	3.2
Deutsche Post AG	3.1
Anheuser-Busch InBev S.A./N.V.	2.9
Unilever N.V.	2.8
Sempra Energy	2.6
Citigroup Inc.	2.6
Royal Dutch Shell Plc., B Shares	2.4
Broadcom Inc.	2.4
Fortive Corp.	2.4
Danaher Corp.	2.3
AIA Group Ltd.	2.3
HDFC Bank Ltd. ADR	2.3
Occidental Petroleum Corp.	2.2
MISUMI Group Inc.	2.2
Croda International Plc.	2.2
Top 25 Holdings	79.2

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.



GLOBAL EQUITY FUND

RBC GLOBAL EQUITY FUND

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

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 a diversified mix of companies operating around the world and across a range of sectors.

To achieve the Fund's objectives, the portfolio manager uses primarily fundamental research to assess the economic outlook for regions around the world, including expected growth, market valuations and economic trends. The Fund may invest in American Depositary Receipts and may invest as much as 10% of its assets in units of other mutual funds managed by RBC GAM or an affiliate.

Results of Operations

The Fund's net asset value was \$928 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 8.2%. 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.

Global equity markets were mixed during the first half of 2018. U.S. stocks gained during the period and markets in Europe and Japan declined in local-currency terms but rose slightly in Canadian-dollar terms. The period was marked by the return of volatility in financial markets driven by an escalating trade dispute between the U.S. and China, concern about higher inflation and steps taken by central banks to tighten monetary policy.

The period was also characterized by large differences in performance among industry sectors and regions. The Information Technology, Consumer Discretionary and Energy sectors were by far the best-performing sectors, while Financials, especially in Europe, struggled in an uncertain political environment. The Consumer Staples and Utilities sectors, which offer high-dividend yields, underperformed against a competing backdrop of rising bond yields.

The Fund outperformed during the period driven by holdings in the Financials and Consumer Staples sectors. The Information Technology and Health Care allocations proved a small negative for relative returns.

TJX, the U.S. discount retailer, was the biggest contributor to the Fund's relative returns, followed by Amazon, the U.S. internet retailer and cloud-computing provider. German shipper Deutsche Post DHL had the most negative impact on relative returns, followed by U.S. floorings manufacturer Mohawk.

Recent Developments

There are several questions dogging stock-market investors these days, among them whether companies are relying excessively on cheap funding to bolster returns. The sub-advisor, however, is more concerned about the potential impact of the tariff dispute between the U.S. and China. The unease caused by the conflict has led to increased equity-market volatility that can create investment opportunities for stock pickers. While the next 12 months may prove more volatile, the sub-advisor believes in its ability to find well-run companies that will provide attractive returns over the long term.

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.

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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.

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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 \$3,000 (2017 – \$25,000) or 1% (2017 – 4%) 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

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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	Total		
Series A													
June 30, 2018	15.40	0.15	(0.16)	1.00	0.16	1.15	—	—	—	—	—	16.65	
Dec. 31, 2017	12.73	0.23	(0.30)	1.16	2.01	3.10	—	—	(0.46)	—	(0.46)	15.40	
Dec. 31, 2016	12.98	0.25	(0.26)	0.14	(0.22)	(0.09)	—	—	—	—	—	12.73	
Dec. 31, 2015	10.68	0.22	(0.26)	0.31	2.26	2.53	—	(0.01)	(0.12)	—	(0.13)	12.98	
Dec. 31, 2014 ³	10.00 [†]	0.14	(0.18)	(0.03)	0.84	0.77	—	—	—	—	—	10.68	
Advisor Series													
June 30, 2018	15.35	0.15	(0.17)	0.99	0.02	0.99	—	—	—	—	—	16.60	
Dec. 31, 2017	12.71	0.23	(0.31)	1.16	1.92	3.00	—	—	(0.46)	—	(0.46)	15.35	
Dec. 31, 2016	12.96	0.25	(0.26)	0.14	(0.22)	(0.09)	—	—	—	—	—	12.71	
Dec. 31, 2015	10.68	0.21	(0.28)	0.30	2.17	2.40	—	(0.01)	(0.12)	—	(0.13)	12.96	
Dec. 31, 2014 ³	10.00 [†]	0.14	(0.19)	(0.03)	0.85	0.77	—	—	—	—	—	10.68	
Series T5													
June 30, 2018	15.21	0.15	(0.16)	0.97	(0.05)	0.91	—	(0.38)	—	—	(0.38)	16.06	
Dec. 31, 2017 ⁴	13.26 [†]	0.19	(0.24)	0.97	2.11	3.03	—	—	(0.61)	—	(0.61)	15.21	
Series D													
June 30, 2018	15.68	0.16	(0.10)	1.02	0.13	1.21	—	—	—	—	—	17.03	
Dec. 31, 2017	12.91	0.23	(0.19)	1.19	2.01	3.24	—	(0.05)	(0.47)	—	(0.52)	15.68	
Dec. 31, 2016	13.13	0.26	(0.17)	0.14	(0.65)	(0.42)	—	(0.07)	—	—	(0.07)	12.91	
Dec. 31, 2015	10.73	0.21	(0.18)	0.30	2.20	2.53	—	(0.01)	(0.12)	—	(0.13)	13.13	
Dec. 31, 2014 ³	10.00 [†]	0.14	(0.12)	(0.03)	0.86	0.85	—	(0.03)	—	—	(0.03)	10.73	
Series F													
June 30, 2018	15.74	0.16	(0.08)	1.02	0.16	1.26	—	—	—	—	—	17.12	
Dec. 31, 2017	12.96	0.23	(0.15)	1.19	2.06	3.33	—	(0.09)	(0.47)	—	(0.56)	15.74	
Dec. 31, 2016	13.18	0.26	(0.13)	0.14	(0.11)	0.16	—	(0.11)	—	—	(0.11)	12.96	
Dec. 31, 2015	10.74	0.19	(0.14)	0.28	2.04	2.37	—	(0.01)	(0.12)	—	(0.13)	13.18	
Dec. 31, 2014 ³	10.00 [†]	0.14	(0.09)	(0.03)	0.87	0.89	—	(0.04)	—	—	(0.04)	10.74	
Series FT5													
June 30, 2018	15.35	0.15	(0.07)	0.99	0.04	1.11	—	(0.38)	—	—	(0.38)	16.30	
Dec. 31, 2017 ⁴	13.52 [†]	0.20	(0.13)	1.00	0.22	1.29	(0.01)	(0.07)	(0.84)	—	(0.92)	15.35	



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	Total	
Series O												
June 30, 2018	15.76	0.16	—	1.02	0.35	1.53	—	—	—	—	—	17.22
Dec. 31, 2017	12.98	0.23	—	1.19	2.09	3.51	—	(0.25)	(0.47)	—	(0.72)	15.76
Dec. 31, 2016	13.19	0.26	—	0.15	(0.31)	0.10	—	(0.24)	—	—	(0.24)	12.98
Dec. 31, 2015	10.75	0.22	—	0.31	2.27	2.80	—	(0.15)	(0.12)	—	(0.27)	13.19
Dec. 31, 2014 ³	10.00 [†]	0.14	—	(0.03)	0.88	0.99	—	(0.13)	—	—	(0.13)	10.75

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 March 10, 2014.

⁴ 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	16.65	47 930	2 878	2.05	2.05	29.99	0.05
Dec. 31, 2017	15.40	24 807	1 611	2.05	2.05	30.41	0.13
Dec. 31, 2016	12.73	14 580	1 145	2.09 ⁴	2.09	40.76	0.20
Dec. 31, 2015	12.98	12 690	978	2.15	2.15	31.76	0.25
Dec. 31, 2014 ⁵	10.68	3 325	311	2.21	2.21	52.06	0.24
Advisor Series							
June 30, 2018	16.60	2 743	165	2.12	2.12	29.99	0.05
Dec. 31, 2017	15.35	782	51	2.11	2.11	30.41	0.13
Dec. 31, 2016	12.71	300	24	2.13 ⁴	2.13	40.76	0.20
Dec. 31, 2015	12.96	257	20	2.28	2.28	31.76	0.25
Dec. 31, 2014 ⁵	10.68	44	4	2.28	2.28	52.06	0.24
Series T5							
June 30, 2018	16.06	9	1	2.00	2.00	29.99	0.05
Dec. 31, 2017 ⁶	15.21	8	1	2.00	2.00	30.41	0.13
Series D							
June 30, 2018	17.03	18 764	1 102	1.25	1.25	29.99	0.05
Dec. 31, 2017	15.68	8 432	538	1.26	1.26	30.41	0.13
Dec. 31, 2016	12.91	1 925	149	1.33 ⁴	1.33	40.76	0.20
Dec. 31, 2015	13.13	2 206	168	1.42	1.42	31.76	0.25
Dec. 31, 2014 ⁵	10.73	167	16	1.41	1.41	52.06	0.24
Series F							
June 30, 2018	17.12	31 389	1 834	0.97	0.97	29.99	0.05
Dec. 31, 2017	15.74	15 016	954	0.98	0.98	30.41	0.13
Dec. 31, 2016	12.96	6 318	488	1.00 ⁴	1.00	40.76	0.20
Dec. 31, 2015	13.18	2 748	209	1.13	1.13	31.76	0.25
Dec. 31, 2014 ⁵	10.74	359	33	1.13	1.13	52.06	0.24
Series FT5							
June 30, 2018	16.30	264	16	0.95	0.95	29.99	0.05
Dec. 31, 2017 ⁶	15.35	62	4	0.96	0.96	30.41	0.13



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 O							
June 30, 2018	17.22	826 777	48 001	0.02	0.02	29.99	0.05
Dec. 31, 2017	15.76	872 787	55 365	0.02	0.02	30.41	0.13
Dec. 31, 2016	12.98	778 868	60 027	0.02	0.02	40.76	0.20
Dec. 31, 2015	13.19	654 821	49 646	0.02	0.02	31.76	0.25
Dec. 31, 2014 ⁵	10.75	311 664	29 004	0.02	0.02	52.06	0.24

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 – 2.04%, Advisor Series – 2.08%, Series D – 1.28% and Series F – 0.95%.

⁵ From March 10, 2014.

⁶ 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	1.75%	54%	46%
Advisor Series	1.75%	54%	46%
Series T5	1.75%	57%	43%
Series D	1.00%	23%	77%
Series F	0.75%	–	100%
Series FT5	0.75%	–	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.

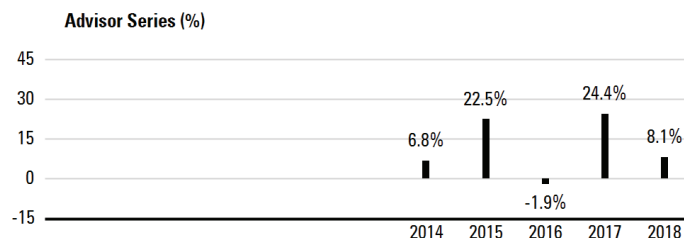
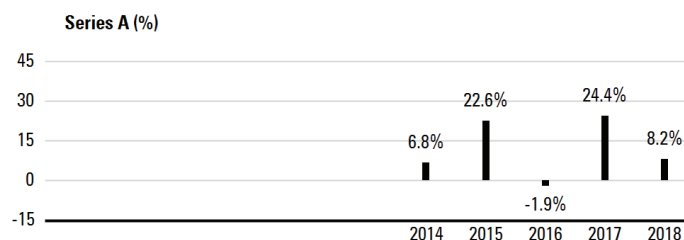


PAST PERFORMANCE

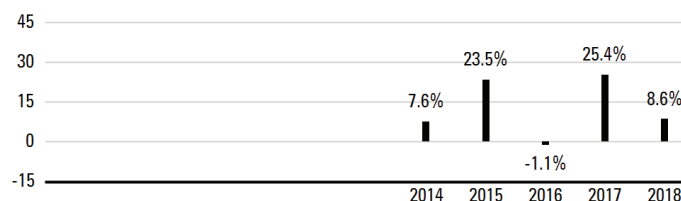
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

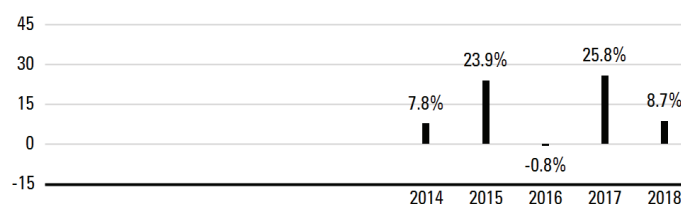
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series D (%)



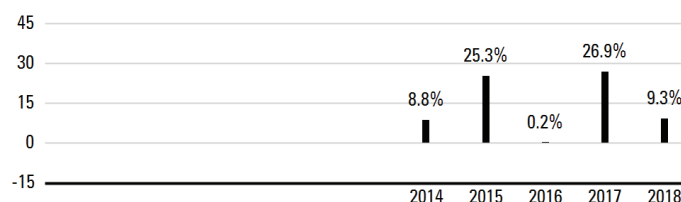
Series F (%)



Series FT5 (%)



Series O (%)



Series T5 and Series FT5 units have been available for sale to unitholders since February 15, 2017, and Series A, Advisor Series, Series D, Series F and Series O units since March 10, 2014.

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
United States	56.9
United Kingdom	6.8
Japan	6.0
Switzerland	4.5
Netherlands	3.6
India	2.8
Taiwan	2.8
Germany	2.7
Hong Kong	2.5
Belgium	2.3
South Africa	2.0
Denmark	1.9
Ireland	1.9
France	1.3
Australia	0.8
Cash/Other	1.2

Top 25 Holdings

	% of Net Asset Value
EOG Resources Inc.	4.3
UnitedHealth Group Incorporated	4.2
Amazon.com, Inc.	3.9
Microsoft Corp.	3.9
TJX Companies Inc.	3.7
Danaher Corp.	3.3
Estée Lauder Companies Inc., Class A	3.3
Alphabet Inc., Class A	3.2
Fortive Corp.	3.1
Roche Holdings AG Genusscheine	3.1
SVB Financial Group	3.0
Gartner Inc.	3.0
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	2.8
Deutsche Post AG	2.8
First Republic Bank	2.7
Blackstone Group LP	2.6
Nidec Corp.	2.6
Unilever N.V.	2.5
AIA Group Ltd.	2.5
Anheuser-Busch InBev S.A./N.V.	2.3
Mohawk Industries Inc.	2.3
InterContinental Hotels Group Plc.	2.2
Croda International Plc.	2.1
Naspers Ltd.	2.0
Paddy Power Betfair Plc.	1.9
Top 25 Holdings	73.3

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.



GLOBAL EQUITY FUND

RBC GLOBAL EQUITY FOCUS FUND

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

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 a diversified mix of companies operating around the world and across a range of sectors. The Fund generally invests in fewer companies and has a more concentrated portfolio than other global equity funds.

To achieve the Fund's objectives, the portfolio manager uses primarily fundamental research to assess the economic outlook for regions around the world, including expected growth, market valuations and economic trends. The Fund may invest in American Depositary Receipts and may invest as much as 10% of its assets in units of other mutual funds managed by RBC GAM or an affiliate.

Results of Operations

The Fund's net asset value was \$3.5 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 8.6%. 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.

Global equity markets were mixed during the first half of 2018. U.S. stocks gained during the period and markets in Europe and Japan declined in local-currency terms but rose slightly in Canadian-dollar terms. The period was marked by the return of volatility in financial markets driven by an escalating trade dispute between the U.S. and China, concern about higher inflation and steps taken by central banks to tighten monetary policy.

The period was also characterized by large differences in performance among industry sectors and regions. The Information Technology, Consumer Discretionary and Energy sectors were by far the best-performing sectors, while Financials, especially in Europe, struggled in an uncertain political environment. The Consumer Staples and Utilities sectors, which offer high-dividend yields, underperformed against a competing backdrop of rising bond yields.

The Fund outperformed during the period driven by holdings in the Financials and Consumer Staples sectors. Allocations to the Information and Health Care sectors proved a small negative for relative returns.

TJX, the U.S. discount retailer, was the biggest contributor to the Fund's relative returns, followed by SVB Financial, a bank based in Silicon Valley. German shipper Deutsche Post DHL had the most negative impact on relative returns, followed by U.S. floorings manufacturer Mohawk.

Recent Developments

There are several questions dogging stock-market investors these days, among them whether companies are relying excessively on cheap funding to bolster returns. The sub-advisor, however, is more concerned about the potential impact of the tariff dispute between the U.S. and China. The unease caused by the conflict has led to increased equity-market volatility that can create investment opportunities for stock pickers. While the next 12 months may prove volatile, the sub-advisor believes in its ability to find well-run companies that will provide attractive returns over the long term.

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.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.



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 \$0 (2017 – \$6,000) or 0% (2017 – 0%) 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	15.70	0.15	(0.17)	0.62	0.64	1.24	—	—	—	—	—	17.06	
Dec. 31, 2017	13.01	0.23	(0.31)	1.04	2.16	3.12	—	—	(0.46)	—	(0.46)	15.70	
Dec. 31, 2016	13.37	0.25	(0.27)	0.38	(0.43)	(0.07)	—	—	(0.22)	—	(0.22)	13.01	
Dec. 31, 2015	11.17	0.21	(0.29)	0.62	1.87	2.41	—	(0.01)	(0.26)	—	(0.27)	13.37	
Dec. 31, 2014 ³	10.00 [†]	0.11	(0.16)	(0.15)	1.17	0.97	—	—	—	—	—	11.17	
Advisor Series													
June 30, 2018	15.69	0.15	(0.17)	0.62	0.57	1.17	—	—	—	—	—	17.05	
Dec. 31, 2017	13.01	0.23	(0.32)	1.03	2.24	3.18	—	—	(0.47)	—	(0.47)	15.69	
Dec. 31, 2016	13.37	0.25	(0.27)	0.38	(0.47)	(0.11)	—	—	(0.22)	—	(0.22)	13.01	
Dec. 31, 2015	11.17	0.22	(0.29)	0.64	1.91	2.48	—	(0.01)	(0.26)	—	(0.27)	13.37	
Dec. 31, 2014 ³	10.00 [†]	0.10	(0.16)	(0.15)	1.13	0.92	—	—	—	—	—	11.17	
Series T5													
June 30, 2018	15.31	0.14	(0.16)	0.59	2.23	2.80	—	(0.38)	—	—	(0.38)	16.24	
Dec. 31, 2017 ⁴	13.58 [†]	0.19	(0.26)	0.85	2.87	3.65	—	—	(0.83)	—	(0.83)	15.31	
Series D													
June 30, 2018	16.06	0.15	(0.11)	0.64	0.72	1.40	—	—	—	—	—	17.53	
Dec. 31, 2017	13.22	0.23	(0.20)	1.06	1.79	2.88	—	(0.03)	(0.47)	—	(0.50)	16.06	
Dec. 31, 2016	13.53	0.25	(0.17)	0.38	(0.61)	(0.15)	—	(0.06)	(0.22)	—	(0.28)	13.22	
Dec. 31, 2015	11.20	0.21	(0.17)	0.63	1.89	2.56	—	(0.01)	(0.26)	—	(0.27)	13.53	
Dec. 31, 2014 ³	10.00 [†]	0.11	(0.10)	(0.16)	1.20	1.05	—	(0.03)	—	—	(0.03)	11.20	
Series F													
June 30, 2018	16.09	0.15	(0.08)	0.64	0.65	1.36	—	—	—	—	—	17.57	
Dec. 31, 2017	13.24	0.23	(0.15)	1.06	2.18	3.32	—	(0.06)	(0.48)	—	(0.54)	16.09	
Dec. 31, 2016	13.56	0.25	(0.14)	0.38	(0.10)	0.39	—	(0.10)	(0.22)	—	(0.32)	13.24	
Dec. 31, 2015	11.21	0.21	(0.15)	0.61	1.82	2.49	—	(0.03)	(0.26)	—	(0.29)	13.56	
Dec. 31, 2014 ³	10.00 [†]	0.10	(0.08)	(0.14)	1.07	0.95	—	(0.05)	—	—	(0.05)	11.21	
Series FT5													
June 30, 2018	15.74	0.15	(0.07)	0.61	(1.24)	(0.55)	—	(0.39)	—	—	(0.39)	16.79	
Dec. 31, 2017 ⁴	13.85 [†]	0.19	(0.13)	0.87	2.77	3.70	(0.02)	(0.06)	(0.78)	—	(0.86)	15.74	



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	Total	
Series O												
June 30, 2018	16.25	0.16	—	0.65	0.78	1.59	—	—	—	—	—	17.83
Dec. 31, 2017	13.38	0.24	—	1.08	2.22	3.54	—	(0.23)	(0.48)	—	(0.71)	16.25
Dec. 31, 2016	13.70	0.26	—	0.39	(0.40)	0.25	—	(0.24)	(0.23)	—	(0.47)	13.38
Dec. 31, 2015	11.34	0.22	—	0.66	1.97	2.85	—	(0.18)	(0.27)	—	(0.45)	13.70
Dec. 31, 2014 ⁵	9.95 [†]	0.24	—	(0.34)	2.63	2.53	—	(0.11)	—	—	(0.11)	11.34

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 April 28, 2014.

⁴ From February 15, 2017.

⁵ From December 30, 2013. Although Series O units of the Fund were created in December 2013, units were not offered for sale under a simplified prospectus until April 28, 2014.

[†] 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	17.06	47 098	2 761	2.09	2.09	27.35	0.07
Dec. 31, 2017	15.70	19 719	1 256	2.08	2.08	35.16	0.16
Dec. 31, 2016	13.01	7 843	603	2.14 ⁴	2.14	37.71	0.19
Dec. 31, 2015	13.37	7 424	555	2.25	2.25	40.84	0.22
Dec. 31, 2014 ⁵	11.17	964	86	2.23	2.23	54.23	0.38
Advisor Series							
June 30, 2018	17.05	8 381	492	2.07	2.07	27.35	0.07
Dec. 31, 2017	15.69	2 578	164	2.14	2.14	35.16	0.16
Dec. 31, 2016	13.01	365	28	2.13 ⁴	2.13	37.71	0.19
Dec. 31, 2015	13.37	324	24	2.23	2.23	40.84	0.22
Dec. 31, 2014 ⁵	11.17	152	14	2.27	2.27	54.23	0.38
Series T5							
June 30, 2018	16.24	899	55	2.00	2.00	27.35	0.07
Dec. 31, 2017 ⁶	15.31	126	8	2.00	2.00	35.16	0.16
Series D							
June 30, 2018	17.53	25 988	1 482	1.26	1.26	27.35	0.07
Dec. 31, 2017	16.06	15 243	949	1.27	1.27	35.16	0.16
Dec. 31, 2016	13.22	2 415	183	1.31 ⁴	1.31	37.71	0.19
Dec. 31, 2015	13.53	2 590	191	1.35	1.35	40.84	0.22
Dec. 31, 2014 ⁵	11.20	338	30	1.38	1.38	54.23	0.38
Series F							
June 30, 2018	17.57	70 068	3 988	0.98	0.98	27.35	0.07
Dec. 31, 2017	16.09	29 915	1 860	1.00	1.00	35.16	0.16
Dec. 31, 2016	13.24	6 632	501	1.05 ⁴	1.05	37.71	0.19
Dec. 31, 2015	13.56	2 641	195	1.11	1.11	40.84	0.22
Dec. 31, 2014 ⁵	11.21	426	38	1.13	1.13	54.23	0.38



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	16.79	8 379	499	0.95	0.95	27.35	0.07
Dec. 31, 2017 ⁶	15.74	684	43	0.95	0.95	35.16	0.16
Series O							
June 30, 2018	17.83	3 299 408	185 049	0.02	0.02	27.35	0.07
Dec. 31, 2017	16.25	2 874 663	176 926	0.02	0.02	35.16	0.16
Dec. 31, 2016	13.38	2 137 571	159 795	0.02	0.02	37.71	0.19
Dec. 31, 2015	13.70	1 766 859	128 980	0.02	0.02	40.84	0.22
Dec. 31, 2014 ⁷	11.34	1 050 728	92 674	0.02	0.02	n/a	0.38

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 – 2.09%, Advisor Series – 2.08%, Series D – 1.25% and Series F – 1.00%.

⁵ From April 28, 2014.

⁶ From February 15, 2017.

⁷ From December 30, 2013. Although Series O units of the Fund were created in December 2013, units were not offered for sale under a simplified prospectus until April 28, 2014.

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	1.75%	54%	46%
Advisor Series	1.75%	54%	46%
Series T5	1.75%	57%	43%
Series D	1.00%	23%	77%
Series F	0.75%	—	100%
Series FT5	0.75%	—	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.

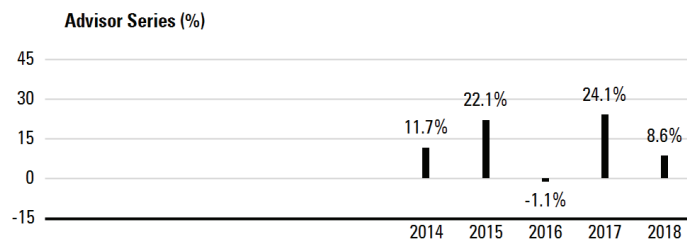
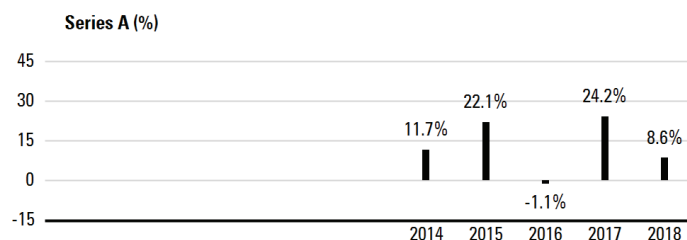


PAST PERFORMANCE

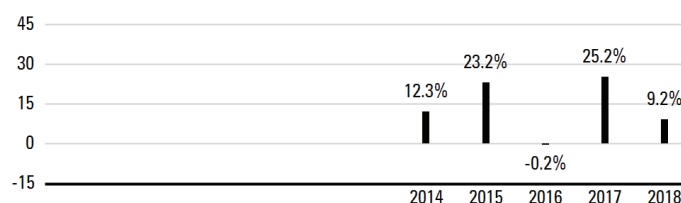
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

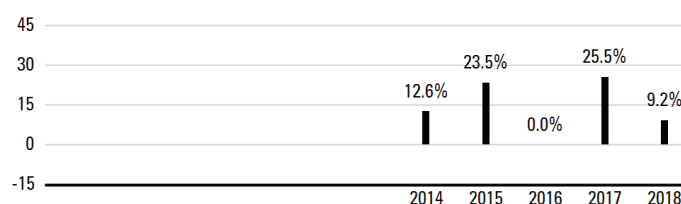
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series D (%)



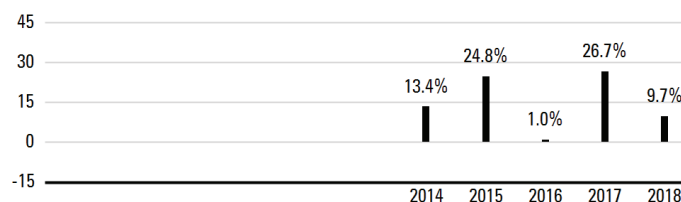
Series F (%)



Series FT5 (%)



Series O (%)



Series T5 and Series FT5 units have been available for sale to unitholders since February 15, 2017, and Series A, Advisor Series, Series D, Series F and Series O units since April 28, 2014.

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
United States	58.3
United Kingdom	8.5
Japan	5.0
India	4.3
Switzerland	4.3
Netherlands	3.5
Belgium	3.2
Taiwan	2.8
Hong Kong	2.6
South Africa	2.5
Germany	2.3
Ireland	2.0
Cash/Other	0.7

Top 25 Holdings

	% of Net Asset Value
UnitedHealth Group Incorporated	5.4
EOG Resources Inc.	5.3
TJX Companies Inc.	4.5
Fortive Corp.	4.4
Roche Holdings AG Genusscheine	4.4
Estée Lauder Companies Inc., Class A	4.3
First Republic Bank	4.3
Amazon.com, Inc.	3.8
Unilever N.V.	3.6
Gartner Inc.	3.5
SVB Financial Group	3.4
Danaher Corp.	3.4
Alphabet Inc., Class A	3.3
Anheuser-Busch InBev S.A./N.V.	3.2
Microsoft Corp.	3.1
Blackstone Group LP	3.0
Nidec Corp.	2.9
InterContinental Hotels Group Plc.	2.8
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	2.8
AIA Group Ltd.	2.6
Naspers Ltd.	2.5
HDFC Bank Ltd. ADR	2.4
Deutsche Post AG	2.3
Mohawk Industries Inc.	2.3
Croda International Plc.	2.1
Top 25 Holdings	85.6

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.



GLOBAL EQUITY FUND

**RBC GLOBAL EQUITY FOCUS
CURRENCY NEUTRAL FUND**

June 30, 2018

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

Sub-Advisor (for the underlying fund): RBC Global Asset Management (UK) Limited,
London, England

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 units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called the “underlying funds”), emphasizing mutual funds that invest in equity securities of a diversified mix of companies operating in various countries around the world across a range of sectors, while minimizing the exposure to currency fluctuations between foreign currencies and the Canadian dollar.

The Fund invests its assets primarily in units of the RBC Global Equity Focus Fund, which is sub-advised by RBC Global Asset Management (UK) Limited, or underlying funds managed by RBC GAM or an affiliate of RBC GAM. Each underlying fund’s investment process is primarily based on fundamental research, although the sub-advisor will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

Results of Operations

The Fund was launched on January 29, 2018, and its net asset value was \$2 million as of June 30, 2018. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

There are several questions dogging stock-market investors these days, among them whether companies are relying excessively on cheap funding to bolster returns. The sub-advisor, however, is more concerned about the potential impact of the tariff dispute between the U.S. and China. The unease caused by the conflict has led to increased equity-market volatility that can create investment opportunities for stock pickers. While the next 12 months may prove more volatile, the sub-advisor believes in its ability to find well-run companies that will provide attractive returns over the long term.

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.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.



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	Total	
Series A												
June 30, 2018³	10.00[†]	—	(0.10)	0.16	0.16	0.22	—	—	—	—	—	9.93
Advisor Series												
June 30, 2018³	10.00[†]	—	(0.09)	0.24	(0.22)	(0.07)	—	—	—	—	—	9.93
Series D												
June 30, 2018³	10.00[†]	—	(0.06)	0.12	0.41	0.47	—	—	—	—	—	9.96
Series F												
June 30, 2018³	10.00[†]	—	(0.05)	0.10	0.52	0.57	—	—	—	—	—	9.97
Series O												
June 30, 2018³	10.00[†]	—	(0.01)	0.17	(0.02)	0.14	—	—	—	—	—	10.01

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 January 17, 2018.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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, 2018⁴	9.93	612	62	2.13	2.21	68.03	0.10
Advisor Series							
June 30, 2018⁴	9.93	1	—	2.02	2.10	68.03	0.10
Series D							
June 30, 2018⁴	9.96	405	41	1.29	1.37	68.03	0.10
Series F							
June 30, 2018⁴	9.97	282	28	1.04	1.12	68.03	0.10
Series O							
June 30, 2018⁴	10.01	532	53	0.04	0.12	68.03	0.10

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 From January 17, 2018.

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	1.75%	57%	43%
Advisor Series	1.75%	57%	43%
Series D	1.00%	25%	75%
Series F	0.75%	—	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

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Advisor Series, Series D, Series F and Series O units of this Fund were launched on January 29, 2018.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
United States	58.3
United Kingdom	8.5
Japan	5.0
India	4.3
Switzerland	4.3
Netherlands	3.5
Belgium	3.2
Taiwan	2.8
Hong Kong	2.6
South Africa	2.5
Germany	2.3
Ireland	2.0
Cash/Other	0.7

Top 25 Holdings*

	% of Net Asset Value
UnitedHealth Group Incorporated	5.4
EOG Resources Inc.	5.3
TJX Companies Inc.	4.5
Fortive Corp.	4.4
Roche Holdings AG Genusscheine	4.4
Estée Lauder Companies Inc., Class A	4.3
First Republic Bank	4.3
Amazon.com, Inc.	3.8
Unilever N.V.	3.6
Gartner Inc.	3.5
SVB Financial Group	3.4
Danaher Corp.	3.4
Alphabet Inc., Class A	3.3
Anheuser-Busch InBev S.A./N.V.	3.2
Microsoft Corp.	3.1
Blackstone Group LP	3.0
Nidec Corp.	2.9
InterContinental Hotels Group Plc.	2.8
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	2.8
AIA Group Ltd.	2.6
Naspers Ltd.	2.5
HDFC Bank Ltd. ADR	2.4
Deutsche Post AG	2.3
Mohawk Industries Inc.	2.3
Croda International Plc.	2.1
Top 25 Holdings	85.6

* The Fund invests substantially all of its assets directly in the RBC Global Equity Focus Fund. The above are the Top 25 holdings of the RBC Global Equity Focus Fund.

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.



GLOBAL EQUITY FUND

RBC QUBE GLOBAL 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 companies throughout the world using a quantitative investment approach.

The Fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager will diversify across industries within the global market.

Results of Operations

The Fund's net asset value was \$292 million as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 5.6%. The Fund's return is after the deduction of 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.

Global equity markets were mixed during the first half of 2018. U.S. stocks gained during the period and markets in Europe and Japan declined in local-currency terms but rose slightly in Canadian-dollar terms. The period was also marked by the return of volatility in financial markets driven by an escalating trade dispute between the U.S. and China, concern about higher inflation and steps taken by central banks to tighten monetary policy.

In the Health Care sector, a position in Roche held back the Fund's returns during the period. In the Consumer Staples sector, a position in Walmart dampened the Fund's performance for the period.

In the Information Technology sector, the Fund's positions in Intuit and Mastercard added significantly to returns. The Industrials sector also aided performance, with a contribution from a holding in Boeing.

Portfolio turnover was high for the Fund given the portfolio manager's model-driven investment process.

Recent Developments

There are several questions dogging stock-market investors these days, among them whether companies are relying excessively on cheap funding to bolster returns. The portfolio manager, however, is more concerned about the potential impact of the tariff dispute between the U.S. and China. The unease caused by the conflict has led to increased equity-market volatility that can create investment opportunities for stock pickers. While the next 12 months may prove more volatile, the portfolio manager believes in its ability to find well-run companies that will provide attractive returns over the long term.

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 \$0 (2017 – \$1,000) or 0% (2017 – 0%) 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	Total	
		Series O										
June 30, 2018	11.45	0.14	—	0.82	(0.29)	0.67	—	—	—	—	—	12.09
Dec. 31, 2017	11.78	0.38	—	1.88	0.21	2.47	—	(0.47)	(2.35)	—	(2.82)	11.45
Dec. 31, 2016	12.98	0.33	—	0.67	(1.04)	(0.04)	—	(0.40)	(0.85)	—	(1.25)	11.78
Dec. 31, 2015	12.56	0.52	—	1.63	0.45	2.60	—	(0.53)	(1.64)	—	(2.17)	12.98
Dec. 31, 2014	11.68	0.43	—	0.91	0.67	2.01	—	(0.36)	(0.80)	—	(1.16)	12.56
Dec. 31, 2013 ³	10.00 [†]	0.10	—	0.21	1.99	2.30	—	(0.05)	(0.12)	—	(0.17)	11.68

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 June 28, 2013.

[†] 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 O							
June 30, 2018	12.09	292 346	24 172	0.02	0.02	210.48	0.12
Dec. 31, 2017	11.45	293 868	25 664	0.02	0.02	205.91	0.17
Dec. 31, 2016	11.78	352 109	29 881	0.02	0.02	171.32	0.14
Dec. 31, 2015	12.98	440 187	33 921	0.02	0.02	95.03	0.08
Dec. 31, 2014	12.56	365 354	29 083	0.02	0.02	110.16	0.11
Dec. 31, 2013 ⁴	11.68	236 478	20 247	0.02	0.02	37.64	0.23

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 From June 28, 2013.



FINANCIAL HIGHLIGHTS (cont.)

Management Fees

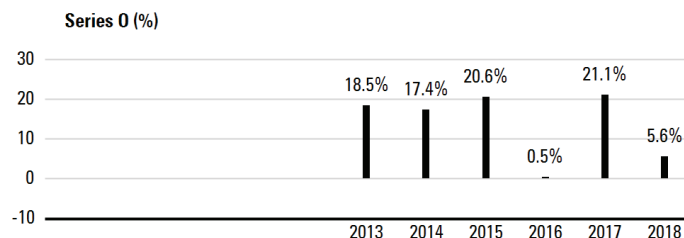
RBC GAM is the manager, trustee and portfolio manager of the Fund. No management fees are paid by the Fund with respect to Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

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 O units have been available for sale to unitholders since June 28, 2013.

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
United States	65.3
Japan	4.9
Denmark	4.3
United Kingdom	2.9
Switzerland	2.8
Australia	2.6
Spain	2.1
Canada	1.9
Netherlands	0.1
Other Countries	12.7
Cash/Other	0.4

Top 25 Holdings

	% of Net Asset Value
Microsoft Corp.	4.1
Mastercard Inc.	3.3
Verizon Communications Inc.	2.7
Home Depot Inc.	2.6
Citigroup Inc.	2.5
Phillips 66 Company	2.4
Facebook Inc., Class A	2.3
Kimberly-Clark Corp.	2.2
Boeing Co.	2.2
ConocoPhillips	2.2
Novo Nordisk A/S	2.0
Equinor ASA	2.0
Colgate-Palmolive Company	2.0
LyondellBasell Industries N.V.	1.9
Philip Morris International Inc.	1.9
Waste Management Inc.	1.8
T. Rowe Price Group Inc.	1.8
Roche Holdings AG Genussscheine	1.8
Constellation Software Inc.	1.7
AbbVie Inc.	1.7
Danske Bank A/S	1.6
Taisei Corp.	1.6
Biogen Inc.	1.6
Nvidia Corp.	1.6
Estée Lauder Companies Inc., Class A	1.6
Top 25 Holdings	53.1

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.



GLOBAL EQUITY FUND

**RBC QUBE LOW VOLATILITY
GLOBAL 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.

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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 global companies using a quantitative approach. The Fund seeks to achieve a reduced level of volatility of returns compared with the broader global equity market.

The Fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk.

This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager will diversify across industries within the global market.

Results of Operations

The Fund's net asset value was \$1.1 billion as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 3.2%. 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.

Global equity markets were mixed during the first half of 2018. U.S. stocks gained during the period and markets in Europe and Japan declined in local-currency terms but rose slightly in Canadian-dollar terms. The period was also marked by the return of volatility in financial markets driven by an escalating trade dispute between the U.S. and China, concern about higher inflation and steps taken by central banks to tighten monetary policy.

In the Consumer Discretionary sector, a position in Starbucks held back the Fund's returns. The Telecommunication Services sector also weighed on performance, with a position in BCE Inc. having a negative impact during the period.

In the Industrials sector, the Fund's position in Canadian National Railway added significantly to returns. The Financials sector also aided performance, with contributions from holdings in Wells Fargo and Banco Santander.

Recent Developments

There are several questions dogging stock-market investors these days, among them whether companies are relying excessively on cheap funding to bolster returns. The portfolio manager, however, is more concerned about the potential impact of the tariff dispute between the U.S. and China. The unease caused by the conflict has led to increased equity-market volatility that can create investment opportunities for stock pickers. While the next 12 months may prove more volatile, the portfolio manager believes in its ability to find well-run companies that will provide attractive returns over the long term.

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 \$1,000 (2017 – \$2,000) or 0% (2017 – 1%) 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	Total	
Series A												
June 30, 2018	18.01	0.24	(0.19)	0.17	0.35	0.57	—	—	—	—	—	18.58
Dec. 31, 2017	17.12	0.46	(0.38)	1.05	0.38	1.51	—	(0.07)	(0.63)	—	(0.70)	18.01
Dec. 31, 2016	17.01	0.45	(0.36)	0.64	(0.17)	0.56	—	—	(0.39)	—	(0.39)	17.12
Dec. 31, 2015	14.48	0.44	(0.35)	0.70	1.90	2.69	—	—	(0.27)	—	(0.27)	17.01
Dec. 31, 2014	12.32	0.34	(0.30)	0.86	1.63	2.53	—	(0.02)	(0.28)	—	(0.30)	14.48
Dec. 31, 2013	9.99	0.20	(0.25)	0.07	1.32	1.34	—	(0.01)	(0.08)	—	(0.09)	12.32
Advisor Series												
June 30, 2018	17.99	0.24	(0.19)	0.17	0.36	0.58	—	—	—	—	—	18.56
Dec. 31, 2017	17.10	0.46	(0.38)	1.05	0.40	1.53	—	(0.06)	(0.63)	—	(0.69)	17.99
Dec. 31, 2016	17.00	0.44	(0.37)	0.64	(0.15)	0.56	—	—	(0.39)	—	(0.39)	17.10
Dec. 31, 2015	14.48	0.43	(0.36)	0.69	1.87	2.63	—	—	(0.27)	—	(0.27)	17.00
Dec. 31, 2014	12.32	0.35	(0.29)	0.88	1.66	2.60	—	(0.03)	(0.28)	—	(0.31)	14.48
Dec. 31, 2013	9.99	0.20	(0.25)	0.07	1.31	1.33	—	(0.01)	(0.08)	—	(0.09)	12.31
Series T5												
June 30, 2018	17.38	0.23	(0.18)	0.16	0.33	0.54	—	(0.40)	—	(0.03)	(0.43)	17.49
Dec. 31, 2017	16.70	0.44	(0.36)	1.00	0.46	1.54	—	(0.08)	(0.69)	(0.06)	(0.83)	17.38
Dec. 31, 2016 ³	16.71 [†]	0.38	(0.33)	0.55	0.17	0.77	—	(0.05)	(0.46)	(0.27)	(0.78)	16.70
Series D												
June 30, 2018	18.21	0.24	(0.11)	0.17	0.35	0.65	—	—	—	—	—	18.87
Dec. 31, 2017	17.32	0.47	(0.23)	1.07	0.38	1.69	—	(0.22)	(0.65)	—	(0.87)	18.21
Dec. 31, 2016	17.20	0.45	(0.22)	0.65	(0.20)	0.68	—	(0.14)	(0.39)	—	(0.53)	17.32
Dec. 31, 2015	14.62	0.45	(0.22)	0.72	1.95	2.90	—	(0.12)	(0.27)	—	(0.39)	17.20
Dec. 31, 2014	12.38	0.34	(0.18)	0.87	1.64	2.67	—	(0.09)	(0.28)	—	(0.37)	14.62
Dec. 31, 2013	9.99	0.21	(0.16)	0.08	1.41	1.54	—	(0.05)	(0.08)	—	(0.13)	12.38
Series F												
June 30, 2018	18.18	0.24	(0.09)	0.17	0.36	0.68	—	—	—	—	—	18.86
Dec. 31, 2017	17.29	0.47	(0.18)	1.07	0.21	1.57	—	(0.27)	(0.66)	—	(0.93)	18.18
Dec. 31, 2016	17.19	0.43	(0.18)	0.62	(0.21)	0.66	—	(0.19)	(0.39)	—	(0.58)	17.29
Dec. 31, 2015	14.60	0.45	(0.17)	0.72	1.95	2.95	—	(0.16)	(0.27)	—	(0.43)	17.19
Dec. 31, 2014	12.42	0.36	(0.15)	0.90	1.71	2.82	—	(0.19)	(0.28)	—	(0.47)	14.60
Dec. 31, 2013	10.00	0.19	(0.13)	0.07	1.25	1.38	—	(0.04)	(0.08)	—	(0.12)	12.42
Series FT5												
June 30, 2018	17.65	0.23	(0.08)	0.16	(0.04)	0.27	—	(0.44)	—	—	(0.44)	17.87
Dec. 31, 2017	17.04	0.44	(0.17)	1.01	0.01	1.29	—	(0.26)	(0.89)	—	(1.15)	17.65
Dec. 31, 2016 ³	16.90 [†]	0.37	(0.16)	0.53	0.25	0.99	—	(0.20)	(0.61)	—	(0.81)	17.04



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	Total	
Series O												
June 30, 2018	18.24	0.24	—	0.17	0.37	0.78	—	—	—	—	—	19.02
Dec. 31, 2017	17.36	0.47	—	1.08	0.42	1.97	—	(0.46)	(0.66)	—	(1.12)	18.24
Dec. 31, 2016	17.25	0.45	—	0.65	(0.13)	0.97	—	(0.36)	(0.40)	—	(0.76)	17.36
Dec. 31, 2015	14.66	0.46	—	0.73	1.97	3.16	—	(0.34)	(0.28)	—	(0.62)	17.25
Dec. 31, 2014	12.42	0.35	—	0.89	1.69	2.93	—	(0.28)	(0.29)	—	(0.57)	14.66
Dec. 31, 2013	10.00	0.30	—	0.11	2.02	2.43	—	(0.16)	(0.08)	—	(0.24)	12.42

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 January 25, 2016.

[†] 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	18.58	181 730	9 780	2.08	2.08	49.59	0.04
Dec. 31, 2017	18.01	181 355	10 070	2.08	2.08	70.35	0.06
Dec. 31, 2016	17.12	144 389	8 435	2.11 ⁴	2.11	77.01	0.07
Dec. 31, 2015	17.01	88 701	5 213	2.20	2.20	35.60	0.08
Dec. 31, 2014	14.48	24 317	1 679	2.21	2.21	60.53	0.07
Dec. 31, 2013	12.32	6 632	538	2.13	2.13	22.39	0.14
Advisor Series							
June 30, 2018	18.56	41 569	2 240	2.10	2.10	49.59	0.04
Dec. 31, 2017	17.99	38 985	2 167	2.11	2.11	70.35	0.06
Dec. 31, 2016	17.10	32 556	1 904	2.16 ⁴	2.16	77.01	0.07
Dec. 31, 2015	17.00	17 809	1 047	2.23	2.23	35.60	0.08
Dec. 31, 2014	14.48	3 409	235	2.20	2.20	60.53	0.07
Dec. 31, 2013	12.32	1 908	155	2.13	2.13	22.39	0.14
Series T5							
June 30, 2018	17.49	1 523	87	2.07	2.07	49.59	0.04
Dec. 31, 2017	17.38	1 472	85	2.08	2.08	70.35	0.06
Dec. 31, 2016 ⁵	16.70	640	38	2.11 ⁴	2.11	77.01	0.07
Series D							
June 30, 2018	18.87	76 190	4 037	1.24	1.24	49.59	0.04
Dec. 31, 2017	18.21	73 515	4 036	1.24	1.24	70.35	0.06
Dec. 31, 2016	17.32	56 186	3 245	1.28 ⁴	1.28	77.01	0.07
Dec. 31, 2015	17.20	38 261	2 224	1.35	1.35	35.60	0.08
Dec. 31, 2014	14.62	14 227	973	1.34	1.34	60.53	0.07
Dec. 31, 2013	12.38	3 798	307	1.33	1.33	22.39	0.14



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 F							
June 30, 2018	18.86	105 567	5 597	0.99	0.99	49.59	0.04
Dec. 31, 2017	18.18	88 370	4 861	1.00	1.00	70.35	0.06
Dec. 31, 2016	17.29	59 170	3 422	1.04 ⁴	1.04	77.01	0.07
Dec. 31, 2015	17.19	11 507	669	1.07	1.07	35.60	0.08
Dec. 31, 2014	14.60	3 751	257	1.11	1.11	60.53	0.07
Dec. 31, 2013	12.42	3 028	244	1.07	1.07	22.39	0.14
Series FT5							
June 30, 2018	17.87	951	53	0.96	0.96	49.59	0.04
Dec. 31, 2017	17.65	826	47	0.97	0.97	70.35	0.06
Dec. 31, 2016 ⁵	17.04	241	14	1.03 ⁴	1.03	77.01	0.07
Series O							
June 30, 2018	19.02	697 746	36 690	0.02	0.02	49.59	0.04
Dec. 31, 2017	18.24	630 805	34 576	0.02	0.02	70.35	0.06
Dec. 31, 2016	17.36	477 605	27 519	0.02	0.02	77.01	0.07
Dec. 31, 2015	17.25	279 059	16 177	0.02	0.02	35.60	0.08
Dec. 31, 2014	14.66	112 300	7 659	0.02	0.02	60.53	0.07
Dec. 31, 2013	12.42	64 089	5 160	0.03	0.03	22.39	0.14

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 T5, Series D, Series F and Series FT5 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 – 2.06%, Advisor Series – 2.11%, Series T5 – 2.15%, Series D – 1.24%, Series F – 1.00% and Series FT5 – 1.02%.

⁵ From January 25, 2016.

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	1.75%	54%	46%
Advisor Series	1.75%	54%	46%
Series T5	1.75%	54%	46%
Series D	1.00%	23%	77%
Series F	0.75%	—	100%
Series FT5	0.75%	—	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.

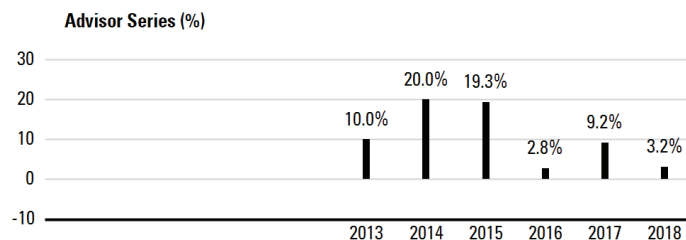
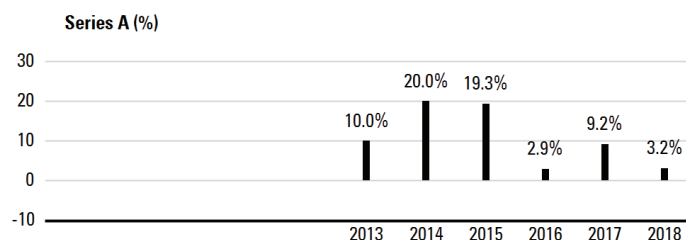


PAST PERFORMANCE

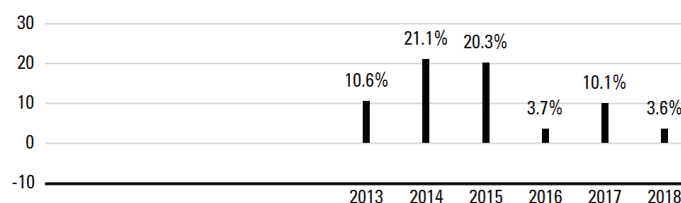
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

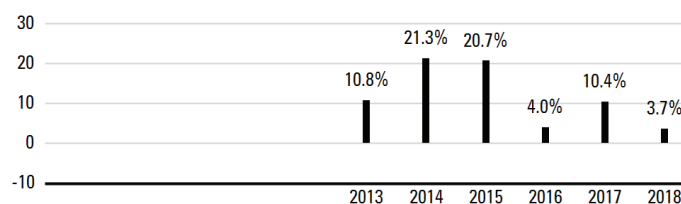
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



Series D (%)



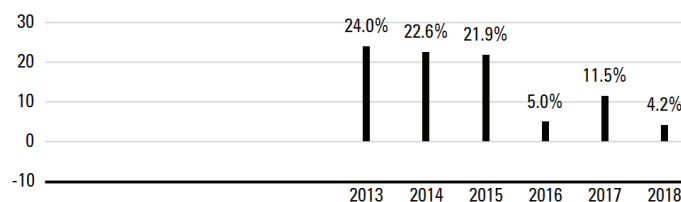
Series F (%)



Series FT5 (%)



Series O (%)



Series T5 and Series FT5 units have been available for sale to unitholders since January 25, 2016, Series A, Advisor Series, Series D and Series F units since April 8, 2013, and Series O units since January 18, 2013.

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
United States	54.7
Japan	13.5
Canada	8.2
Switzerland	5.2
Hong Kong	3.6
Belgium	2.7
Israel	2.5
United Kingdom	1.4
Singapore	1.3
Other Countries	6.8
Cash/Other	0.1

Top 25 Holdings

	% of Net Asset Value
Consolidated Edison Inc.	2.9
Royal Bank of Canada	2.9
Duke Energy Corp.	2.8
The Coca-Cola Co.	2.7
Roche Holdings AG Genusscheine	2.5
NTT DoCoMo Inc.	2.3
Colruyt S.A.	2.3
UnitedHealth Group Incorporated	2.3
Mastercard Inc.	2.1
BCE Inc.	1.9
CLP Holdings Ltd.	1.8
Intuit Inc.	1.8
Loews Corp.	1.8
Canadian National Railway Co.	1.8
Johnson & Johnson	1.7
Xcel Energy Inc.	1.6
Colgate-Palmolive Company	1.6
Valero Energy Corp.	1.6
Danaher Corp.	1.5
Texas Instruments Inc.	1.5
Astellas Pharma Inc.	1.5
Citigroup Inc.	1.4
Starbucks Corp.	1.4
Phillips 66 Company	1.3
AerCap Holdings N.V.	1.3
Top 25 Holdings	48.3

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.



GLOBAL EQUITY FUND

**RBC QUBE LOW VOLATILITY GLOBAL
EQUITY CURRENCY NEUTRAL 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 units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called the “underlying funds”), emphasizing mutual funds that invest in equity securities of companies throughout the world using a quantitative investment approach. The Fund seeks to achieve a reduced level of volatility of returns as compared to the broader global equity market while minimizing the exposure to currency fluctuations between foreign currencies and the Canadian dollar.

The Fund invests its assets primarily in units of the RBC QUBE Low Volatility Global Equity Fund or underlying funds managed by RBC GAM or an affiliate of RBC GAM. Each underlying fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance while controlling exposure to risk factors.

Results of Operations

The Fund was launched on January 29, 2018, and its net asset value was \$3 million as of June 30, 2018. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

There are several questions dogging stock-market investors these days, among them whether companies are relying excessively on cheap funding to bolster returns. The portfolio manager, however, is more concerned about the potential impact of the tariff dispute between the U.S. and China. The unease caused by the conflict has led to increased equity-market volatility which the portfolio manager expects to continue over the next few quarters.

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.

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	Total	
Series A												
June 30, 2018³	10.00[†]	—	(0.09)	(0.08)	0.20	0.03	—	—	—	—	—	9.81
Advisor Series												
June 30, 2018³	10.00[†]	—	(0.09)	(0.09)	0.33	0.15	—	—	—	—	—	9.81
Series D												
June 30, 2018³	10.00[†]	—	(0.06)	(0.07)	0.34	0.21	—	—	—	—	—	9.84
Series F												
June 30, 2018³	10.00[†]	—	(0.04)	(0.06)	0.27	0.17	—	—	—	—	—	9.86
Series O												
June 30, 2018³	10.00[†]	—	(0.01)	(0.09)	(0.01)	(0.11)	—	—	—	—	—	9.89

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 January 17, 2018.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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, 2018⁴	9.81	1 312	134	2.11	2.11	17.13	0.04
Advisor Series							
June 30, 2018⁴	9.81	2	—	2.02	2.02	17.13	0.04
Series D							
June 30, 2018⁴	9.84	472	48	1.28	1.28	17.13	0.04
Series F							
June 30, 2018⁴	9.86	819	83	1.01	1.01	17.13	0.04
Series O							
June 30, 2018⁴	9.89	155	16	0.04	0.04	17.13	0.04

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 From January 17, 2018.

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	1.75%	57%	43%
Advisor Series	1.75%	57%	43%
Series D	1.00%	25%	75%
Series F	0.75%	—	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

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Advisor Series, Series D, Series F and Series O units of this Fund were launched on January 29, 2018.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at June 30, 2018

Investment Mix

	% of Net Asset Value
United States	54.7
Japan	13.5
Canada	8.2
Switzerland	5.2
Hong Kong	3.6
Belgium	2.7
Israel	2.5
United Kingdom	1.4
Singapore	1.3
Other Countries	6.8
Cash/Other	0.1

Top 25 Holdings*

	% of Net Asset Value
Consolidated Edison Inc.	2.9
Royal Bank of Canada	2.9
Duke Energy Corp.	2.8
The Coca-Cola Co.	2.7
Roche Holdings AG Genussscheine	2.5
NTT DoCoMo Inc.	2.3
Colruyt S.A.	2.3
UnitedHealth Group Incorporated	2.3
Mastercard Inc.	2.1
BCE Inc.	1.9
CLP Holdings Ltd.	1.8
Intuit Inc.	1.8
Loews Corp.	1.8
Canadian National Railway Co.	1.8
Johnson & Johnson	1.7
Xcel Energy Inc.	1.6
Colgate-Palmolive Company	1.6
Valero Energy Corp.	1.6
Danaher Corp.	1.5
Texas Instruments Inc.	1.5
Astellas Pharma Inc.	1.5
Citigroup Inc.	1.4
Starbucks Corp.	1.4
Phillips 66 Company	1.3
AerCap Holdings N.V.	1.3
Top 25 Holdings	48.3

* The Fund invests substantially all of its assets directly in the RBC QUBE Low Volatility Global Equity Fund. The above are the Top 25 holdings of the RBC QUBE Low Volatility Global Equity Fund.

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.



GLOBAL EQUITY FUND

RBC VISION GLOBAL EQUITY FUND

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

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 provides the potential for long-term capital growth by investing primarily in equity securities of companies throughout the world and follows a socially responsible approach to investing. Investments that qualify for inclusion in the Fund must possess strong environmental, social and governance practices relative to industry peers, as defined by Sustainalytics Best-of-Sector™ methodology. The Fund may also use derivatives to hedge against the fluctuations in the value of foreign currencies relative to the Canadian dollar.

Results of Operations

The Fund's net asset value was \$405 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 7.8%. 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.

Global equity markets were mixed during the first half of 2018. U.S. stocks gained during the period and markets in Europe and Japan declined in local-currency terms but rose slightly in Canadian-dollar terms. The period was marked by the return of volatility in financial markets driven by an escalating trade dispute between the U.S. and China, concern about higher inflation and steps taken by central banks to tighten monetary policy.

The period was also characterized by large differences in performance among industry sectors and regions. The Information Technology, Consumer Discretionary and Energy sectors were by far the best-performing sectors, while Financials, especially in Europe, struggled in an uncertain political environment. The Consumer Staples and Utilities sectors, which offer high-dividend yields, underperformed against a competing backdrop of rising bond yields.

The Fund outperformed during the period driven by holdings in the Financials and Consumer Staples sectors. Allocations to the Information Technology and Health Care sectors proved a small negative for relative returns.

TJX, the U.S. discount retailer, was the biggest contributor to the Fund's relative returns, followed by Intuit, a U.S. developer of accounting software for individuals and small businesses. German shipper Deutsche Post DHL had the most negative impact on relative returns, followed by Amazon, the internet retailer and cloud-computing provider.

Sustainalytics conducted one review covering the Fund's holdings in 2018. Eligibility was determined in relation to the Environmental, Social and Governance ("ESG") criteria developed by RBC GAM in consultation with Sustainalytics. In the opinion of Sustainalytics, all holdings in the Fund were eligible in the latest review, based on the above criteria. However, during the year, three companies were removed from the Fund as they no longer met certain ESG criteria.

Recent Developments

There are several questions dogging stock-market investors these days, among them whether companies are relying excessively on cheap funding to bolster returns. The sub-advisor, however, is more concerned about the potential impact of the tariff dispute between the U.S. and China. The unease caused by the conflict has led to increased equity-market volatility that can create investment opportunities for stock pickers. While the next 12 months may prove more volatile, the sub-advisor believes in its ability to find well-run companies that will provide attractive returns over the long term.

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.

™ Best-of-Sector is a trademark of Sustainalytics. Used under licence.



Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.

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	Total	
Series A												
June 30, 2018	13.31	0.13	(0.14)	0.73	0.33	1.05	—	—	—	—	—	14.34
Dec. 31, 2017	11.67	0.36	(0.27)	2.24	(0.33)	2.00	—	—	(0.31)	—	(0.31)	13.31
Dec. 31, 2016	11.79	0.24	(0.25)	(0.22)	0.12	(0.11)	—	—	—	—	—	11.67
Dec. 31, 2015	10.98	0.27	(0.27)	0.99	0.50	1.49	—	—	(0.87)	—	(0.87)	11.79
Dec. 31, 2014	10.67	0.21	(0.25)	2.18	(0.84)	1.30	—	—	(0.99)	—	(0.99)	10.98
Dec. 31, 2013	7.87	0.21	(0.21)	0.90	1.91	2.81	—	(0.01)	—	—	(0.01)	10.67
Advisor Series												
June 30, 2018	13.37	0.13	(0.15)	0.73	0.31	1.02	—	—	—	—	—	14.40
Dec. 31, 2017	11.73	0.28	(0.27)	1.77	0.40	2.18	—	—	(0.31)	—	(0.31)	13.37
Dec. 31, 2016	11.84	0.24	(0.25)	(0.22)	0.12	(0.11)	—	—	—	—	—	11.73
Dec. 31, 2015	11.02	0.27	(0.28)	0.99	0.50	1.48	—	—	(0.88)	—	(0.88)	11.84
Dec. 31, 2014	10.70	0.21	(0.25)	2.18	(0.84)	1.30	—	—	(0.97)	—	(0.97)	11.02
Dec. 31, 2013	7.89	0.21	(0.21)	0.90	1.90	2.80	—	(0.01)	—	—	(0.01)	10.70
Series D												
June 30, 2018	14.14	0.14	(0.09)	0.77	0.34	1.16	—	—	—	—	—	15.31
Dec. 31, 2017	12.33	0.23	(0.17)	1.41	1.10	2.57	—	(0.03)	(0.32)	—	(0.35)	14.14
Dec. 31, 2016	12.44	0.25	(0.15)	(0.24)	0.13	(0.01)	—	(0.10)	—	—	(0.10)	12.33
Dec. 31, 2015	11.55	0.28	(0.17)	1.03	0.52	1.66	—	(0.07)	(0.93)	—	(1.00)	12.44
Dec. 31, 2014	11.11	0.22	(0.15)	2.29	(0.88)	1.48	—	—	(1.03)	—	(1.03)	11.55
Dec. 31, 2013	8.16	0.21	(0.13)	0.92	1.95	2.95	—	(0.07)	—	—	(0.07)	11.11
Series F												
June 30, 2018	14.51	0.15	(0.07)	0.79	0.33	1.20	—	—	—	—	—	15.72
Dec. 31, 2017	12.62	0.28	(0.14)	1.75	0.68	2.57	—	(0.04)	(0.33)	—	(0.37)	14.51
Dec. 31, 2016	12.72	0.26	(0.12)	(0.24)	0.40	0.30	—	(0.12)	—	—	(0.12)	12.62
Dec. 31, 2015	11.84	0.29	(0.13)	1.06	0.53	1.75	—	(0.07)	(1.03)	—	(1.10)	12.72
Dec. 31, 2014	11.36	0.22	(0.12)	2.31	(0.89)	1.52	—	—	(1.05)	—	(1.05)	11.84
Dec. 31, 2013	8.34	0.22	(0.10)	0.96	2.04	3.12	—	(0.10)	—	—	(0.10)	11.36
Series O												
June 30, 2018	10.63	0.11	—	0.58	0.24	0.93	—	—	—	—	—	11.57
Dec. 31, 2017 ³	10.00 [†]	0.04	—	0.26	1.30	1.60	(0.01)	(0.09)	(0.24)	—	(0.34)	10.63

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 May 19, 2017.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	14.34	30 672	2 137	2.09	2.09	37.73	0.07
Dec. 31, 2017	13.31	29 012	2 180	2.12 ⁴	2.12	27.38	0.11
Dec. 31, 2016	11.67	21 430	1 836	2.18 ⁵	2.19	93.61	0.11
Dec. 31, 2015	11.79	22 404	1 900	2.24	2.25	436.89	0.17
Dec. 31, 2014	10.98	16 994	1 548	2.24	2.25	379.51	0.27
Dec. 31, 2013	10.67	13 797	1 293	2.26	2.26	119.88	0.14
Advisor Series							
June 30, 2018	14.40	14 187	984	2.10	2.10	37.73	0.07
Dec. 31, 2017	13.37	12 106	906	2.11	2.11	27.38	0.11
Dec. 31, 2016	11.73	5 369	458	2.17 ⁵	2.18	93.61	0.11
Dec. 31, 2015	11.84	5 685	480	2.24	2.25	436.89	0.17
Dec. 31, 2014	11.02	3 534	321	2.26	2.27	379.51	0.27
Dec. 31, 2013	10.70	2 496	233	2.27	2.27	119.88	0.14
Series D							
June 30, 2018	15.31	23 931	1 563	1.25	1.25	37.73	0.07
Dec. 31, 2017	14.14	21 631	1 529	1.27	1.27	27.38	0.11
Dec. 31, 2016	12.33	5 012	406	1.27	1.28	93.61	0.11
Dec. 31, 2015	12.44	5 273	424	1.28	1.29	436.89	0.17
Dec. 31, 2014	11.55	2 723	236	1.29	1.30	379.51	0.27
Dec. 31, 2013	11.11	2 587	233	1.31	1.31	119.88	0.14
Series F							
June 30, 2018	15.72	18 842	1 198	0.99	0.99	37.73	0.07
Dec. 31, 2017	14.51	15 738	1 084	1.00	1.00	27.38	0.11
Dec. 31, 2016	12.62	4 634	367	1.00	1.01	93.61	0.11
Dec. 31, 2015	12.72	2 949	232	0.98	0.99	436.89	0.17
Dec. 31, 2014	11.84	1 444	122	1.01	1.02	379.51	0.27
Dec. 31, 2013	11.36	395	35	0.99	0.99	119.88	0.14
Series O							
June 30, 2018	11.57	317 589	27 427	0.02	0.02	37.73	0.07
Dec. 31, 2017 ⁶	10.63	301 173	28 334	0.02	0.02	27.38	0.11

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, 2017, the administration fees were changed in respect of Series A units of the Fund. If the changes to the administration fees would have been in effect throughout 2017, the adjusted MER for each series of the Fund would be: Series A – 2.09%.

⁵ Effective June 30, 2016, the management fees were changed in respect of Series A and Advisor Series 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 – 2.13% and Advisor Series – 2.12%.

⁶ From May 19, 2017.



FINANCIAL HIGHLIGHTS (cont.)

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	1.75%	62%	38%
Advisor Series	1.75%	62%	38%
Series D	1.00%	25%	75%
Series F	0.75%	—	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.

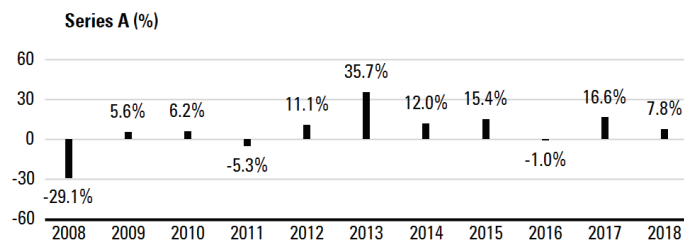
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

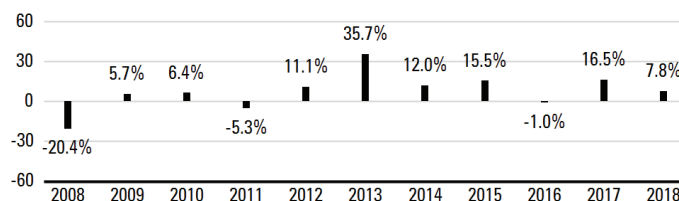
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

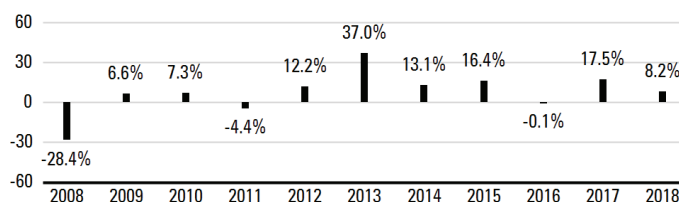
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



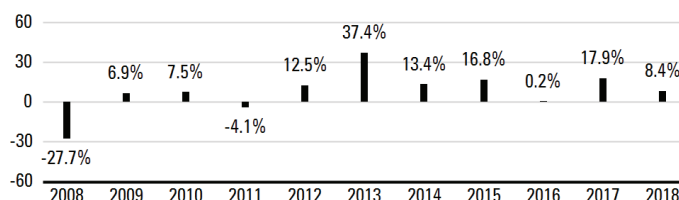
Advisor Series (%)



Series D (%)



Series F (%)



Series O (%)



Series O units have been available for sale to unitholders since May 19, 2017, and Advisor Series units since January 21, 2008.

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
United States	60.4
United Kingdom	9.7
Japan	5.7
Switzerland	4.1
Germany	3.3
Other Countries	15.5
Cash/Other	1.3

Top 25 Holdings

	% of Net Asset Value
EOG Resources Inc.	5.3
UnitedHealth Group Incorporated	5.1
TJX Companies Inc.	5.1
Estée Lauder Companies Inc., Class A	4.8
Alphabet Inc., Class A	4.7
Fortive Corp.	4.5
Danaher Corp.	4.3
Roche Holdings AG Genusscheine	4.1
First Republic Bank	4.0
Unilever N.V.	4.0
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	3.8
Nidec Corp.	3.6
InterContinental Hotels Group Plc.	3.5
Gartner Inc.	3.5
AIA Group Ltd.	3.3
Deutsche Post AG	3.3
Microsoft Corp.	3.3
SVB Financial Group	3.3
Blackstone Group LP	3.2
Naspers Ltd.	2.6
Mohawk Industries Inc.	2.5
Ecolab Inc.	2.5
MarketAxess Holdings Inc.	2.5
Croda International Plc.	2.3
MISUMI Group Inc.	2.1
Top 25 Holdings	91.2

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.



GLOBAL EQUITY FUND

**RBC VISION FOSSIL FUEL FREE
GLOBAL EQUITY FUND**

June 30, 2018

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

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

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

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund provides the potential for long-term capital growth by investing primarily in a diversified mix of companies operating in various countries around the world across a range of sectors, with the exception of issuers directly engaged in the extraction, processing and transportation of fossil fuels such as coal, oil and natural gas. The Fund may also use derivatives to hedge against the fluctuations in the value of foreign currencies relative to the Canadian dollar.

Results of Operations

The Fund was launched on August 28, 2017, and its net asset value was \$141 million as of June 30, 2018. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

There are several questions dogging stock-market investors these days, among them whether companies are relying excessively on cheap funding to bolster returns. The sub-advisor, however, is more concerned about the potential impact of the tariff dispute between the U.S. and China. The unease caused by the conflict has led to increased equity-market volatility that can create investment opportunities for stock pickers. While the next 12 months may prove more volatile, the sub-advisor believes in its ability to find well-run companies that will provide attractive returns over the long term.

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.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisor is paid by the manager from the management fee paid by the Fund.

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.



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	Total		
Series A													
June 30, 2018	10.62	0.10	(0.11)	0.58	0.16	0.73	—	—	—	—	—	11.45	
Dec. 31, 2017 ³	10.00 [†]	0.05	(0.08)	0.22	0.77	0.96	—	—	(0.54)	—	(0.54)	10.62	
Advisor Series													
June 30, 2018	10.62	0.10	(0.12)	0.58	0.04	0.60	—	—	—	—	—	11.44	
Dec. 31, 2017 ³	10.00 [†]	0.05	(0.08)	0.21	0.54	0.72	—	—	(0.54)	—	(0.54)	10.62	
Series D													
June 30, 2018	10.65	0.10	(0.07)	0.59	0.19	0.81	—	—	—	—	—	11.53	
Dec. 31, 2017 ³	10.00 [†]	0.05	(0.05)	0.22	0.86	1.08	—	—	(0.54)	—	(0.54)	10.65	
Series F													
June 30, 2018	10.63	0.10	(0.05)	0.58	0.10	0.73	—	—	—	—	—	11.52	
Dec. 31, 2017 ³	10.00 [†]	0.05	(0.04)	0.22	0.63	0.86	—	(0.04)	(0.54)	—	(0.58)	10.63	
Series O													
June 30, 2018	12.32	0.11	—	0.68	0.24	1.03	—	—	—	—	—	13.42	
Dec. 31, 2017 ⁴	10.10 [†]	0.17	—	0.82	2.07	3.06	—	(0.16)	(0.63)	—	(0.79)	12.32	

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 August 28, 2017.

⁴ From November 21, 2016. Although Series O units of the Fund were created in November 2016, units were not offered for sale under a simplified prospectus until June 30, 2017.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	11.45	5 524	482	2.07	2.07	42.45	0.10
Dec. 31, 2017 ⁴	10.62	2 219	209	2.15	2.15	42.55	0.16
Advisor Series							
June 30, 2018	11.44	986	86	2.17	2.17	42.45	0.10
Dec. 31, 2017 ⁴	10.62	404	38	2.20	2.20	42.55	0.16
Series D							
June 30, 2018	11.53	1 873	162	1.21	1.21	42.45	0.10
Dec. 31, 2017 ⁴	10.65	854	80	1.30	1.30	42.55	0.16
Series F							
June 30, 2018	11.52	3 848	334	0.98	0.98	42.45	0.10
Dec. 31, 2017 ⁴	10.63	783	74	1.02	1.02	42.55	0.16
Series O							
June 30, 2018	13.42	128 656	9 587	0.02	0.02	42.45	0.10
Dec. 31, 2017 ⁵	12.32	111 373	9 040	0.03 ⁶	0.03	42.55	0.16

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 From August 28, 2017.

⁵ From November 21, 2016. Although Series O units of the Fund were created in November 2016, units were not offered for sale under a simplified prospectus until June 30, 2017.

⁶ Effective June 30, 2017, the administration fees were changed in respect of Series O units of the Fund. If the changes to the administration fees would have been in effect throughout 2017, the adjusted MER for each series of the Fund would be: Series O – 0.02%.

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	1.75%	57%	43%
Advisor Series	1.75%	57%	43%
Series D	1.00%	25%	75%
Series F	0.75%	—	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 F (%)



Series O (%)



Series A, Advisor Series, Series D and Series F units have been available for sale to unitholders since August 28, 2017, and Series O units since June 30, 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
United States	58.0
United Kingdom	7.4
Japan	5.9
India	4.5
Switzerland	3.5
Netherlands	3.3
Taiwan	3.2
South Africa	3.0
Germany	2.9
Hong Kong	2.8
Belgium	2.4
Ireland	2.2
Cash/Other	0.9

Top 25 Holdings

	% of Net Asset Value
UnitedHealth Group Incorporated	4.8
Fortive Corp.	4.6
HDFC Bank Ltd. ADR	4.5
Microsoft Corp.	4.4
TJX Companies Inc.	4.2
Estée Lauder Companies Inc., Class A	4.1
Amazon.com, Inc.	4.0
Alphabet Inc., Class A	3.7
Danaher Corp.	3.7
Blackstone Group LP	3.6
SVB Financial Group	3.6
Nidec Corp.	3.5
Mohawk Industries Inc.	3.5
Roche Holdings AG Genusscheine	3.5
First Republic Bank	3.4
Gartner Inc.	3.3
Unilever N.V.	3.3
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	3.2
InterContinental Hotels Group Plc.	3.0
Naspers Ltd.	3.0
Deutsche Post AG	2.9
AIA Group Ltd.	2.8
MISUMI Group Inc.	2.4
Citigroup Inc.	2.4
Anheuser-Busch InBev S.A./N.V.	2.4
Top 25 Holdings	87.8

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.



GLOBAL EQUITY FUND

**RBC O'SHAUGHNESSY
GLOBAL EQUITY FUND**

June 30, 2018

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

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

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 total returns consisting of capital growth and current income by investing primarily in equity securities of companies throughout the world based on Strategy Indexing[®], an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

To achieve its objective, the Fund selects securities on the basis of several factors, including valuation, momentum and return of capital to shareholders. Valuation is based on a variety of measures, including a company's market capitalization ratios and financial statement metrics. The Fund also selects securities based on momentum which may include six-month total return and nine-month total return. Return of capital to shareholders may include dividends and buybacks. The Fund does not hedge currency exposure back to Canadian dollars.

Results of Operations

The Fund's net asset value was \$100 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 4.3%. 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.

The S&P 500 Index outperformed other developed markets during the period, with equities in Europe and Japan declining in local-currency terms but positive when adjusted for a decline in the Canadian dollar. Canadian equities were up slightly. Commodity prices, including oil, appreciated during the period.

Exposure to high momentum, value and smaller-capitalization stocks was the main contributor to returns. An overweight allocation to shareholder yield held back returns. The Fund's quality characteristics aided overall performance.

Security selection had a negative impact on returns, while sector allocation added to performance. An underweight allocation to and security selection in the Information Technology sector hurt returns. Security selection in the Consumer Discretionary sector was also a negative for performance due primarily to the absence of Amazon.com in the portfolio. Exposure to the Financials, Consumer Staples and Health Care sectors aided returns, due mainly to holdings in Plus500, Medifast and Intuitive Surgical.

Allocations to specific countries had a negative impact on overall returns. Overweight exposure to South Africa and Turkey held back performance, while underweights in Switzerland and Germany aided returns. Security selection in the U. S. and Italy contributed to performance. Security selection in Japan and Israel hurt performance.

The Fund decreased allocations to the Consumer Staples sector during the period and increased allocations to the Financials sectors.

Recent Developments

In January 2018, Patrick O'Shaughnessy was promoted to chief executive officer of O'Shaughnessy Asset Management, the sub-advisor of the Fund. Patrick O'Shaughnessy directs the firm's initiatives in research and portfolio management, investor education and client relationships. He reports to Jim O'Shaughnessy, the firm's chairman and chief investment officer.

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.

[®] Registered trademark of Royal Bank of Canada. Used under licence.



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.

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	Total		
Series A													
June 30, 2018	10.78	0.14	(0.12)	0.49	(0.04)	0.47	—	—	—	—	—	11.24	
Dec. 31, 2017	9.59	0.26	(0.23)	1.18	0.01	1.22	—	(0.05)	—	—	(0.05)	10.78	
Dec. 31, 2016	9.35	0.26	(0.20)	0.19	(0.05)	0.20	—	(0.07)	—	—	(0.07)	9.59	
Dec. 31, 2015	7.94	0.34	(0.20)	0.85	0.61	1.60	—	(0.14)	—	—	(0.14)	9.35	
Dec. 31, 2014	7.77	0.25	(0.18)	1.33	(1.16)	0.24	—	(0.06)	—	—	(0.06)	7.94	
Dec. 31, 2013	5.58	0.20	(0.15)	1.09	1.11	2.25	—	(0.05)	—	—	(0.05)	7.77	
Advisor Series													
June 30, 2018	10.77	0.14	(0.12)	0.49	(0.03)	0.48	—	—	—	—	—	11.24	
Dec. 31, 2017	9.59	0.26	(0.22)	1.18	0.03	1.25	—	(0.06)	—	—	(0.06)	10.77	
Dec. 31, 2016	9.34	0.26	(0.19)	0.19	(0.07)	0.19	—	(0.07)	—	—	(0.07)	9.59	
Dec. 31, 2015	7.94	0.34	(0.20)	0.85	0.61	1.60	—	(0.14)	—	—	(0.14)	9.34	
Dec. 31, 2014	7.77	0.25	(0.18)	1.33	(1.16)	0.24	—	(0.07)	—	—	(0.07)	7.94	
Dec. 31, 2013	5.58	0.20	(0.15)	1.09	1.11	2.25	—	(0.05)	—	—	(0.05)	7.77	
Series D													
June 30, 2018	10.83	0.14	(0.08)	0.49	(0.02)	0.53	—	—	—	—	—	11.34	
Dec. 31, 2017	9.64	0.27	(0.14)	1.19	0.02	1.34	—	(0.15)	—	—	(0.15)	10.83	
Dec. 31, 2016	9.39	0.27	(0.12)	0.19	(0.05)	0.29	—	(0.15)	—	—	(0.15)	9.64	
Dec. 31, 2015	7.98	0.34	(0.12)	0.86	0.62	1.70	—	(0.22)	—	—	(0.22)	9.39	
Dec. 31, 2014	7.82	0.25	(0.11)	1.34	(1.17)	0.31	—	(0.14)	—	—	(0.14)	7.98	
Dec. 31, 2013	5.58	0.20	(0.09)	1.09	1.11	2.31	—	(0.07)	—	—	(0.07)	7.82	
Series F													
June 30, 2018	10.84	0.14	(0.06)	0.49	(0.05)	0.52	—	—	—	—	—	11.37	
Dec. 31, 2017	9.64	0.27	(0.11)	1.19	0.04	1.39	(0.01)	(0.17)	—	—	(0.18)	10.84	
Dec. 31, 2016	9.40	0.27	(0.10)	0.19	0.24	0.60	—	(0.18)	—	—	(0.18)	9.64	
Dec. 31, 2015	7.99	0.34	(0.10)	0.85	0.62	1.71	—	(0.25)	—	—	(0.25)	9.40	
Dec. 31, 2014	7.84	0.25	(0.09)	1.35	(1.18)	0.33	—	(0.17)	—	—	(0.17)	7.99	
Dec. 31, 2013	5.62	0.20	(0.07)	1.10	1.12	2.35	—	(0.12)	—	—	(0.12)	7.84	
Series O													
June 30, 2018	12.15	0.16	—	0.55	(0.05)	0.66	—	—	—	—	—	12.82	
Dec. 31, 2017	10.82	0.30	—	1.35	0.55	2.20	(0.01)	(0.33)	—	—	(0.34)	12.15	
Dec. 31, 2016	10.55	0.30	—	0.22	0.05	0.57	—	(0.32)	—	—	(0.32)	10.82	
Dec. 31, 2015	8.97	0.39	—	0.99	0.71	2.09	—	(0.40)	—	—	(0.40)	10.55	
Dec. 31, 2014	8.78	0.28	—	1.52	(1.33)	0.47	—	(0.28)	—	—	(0.28)	8.97	
Dec. 31, 2013	6.29	0.22	—	1.24	1.26	2.72	—	(0.22)	—	—	(0.22)	8.78	

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.



FINANCIAL HIGHLIGHTS (cont.)

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	11.24	66 872	5 949	2.25	2.25	77.59	0.11
Dec. 31, 2017	10.78	68 844	6 387	2.25	2.25	84.30	0.12
Dec. 31, 2016	9.59	70 610	7 363	2.25	2.25	72.78	0.11
Dec. 31, 2015	9.35	81 469	8 716	2.25	2.25	78.52	0.13
Dec. 31, 2014	7.94	77 293	9 730	2.25	2.25	89.77	0.13
Dec. 31, 2013	7.77	77 644	9 992	2.26	2.26	82.15	0.13
Advisor Series							
June 30, 2018	11.24	6 299	561	2.18	2.18	77.59	0.11
Dec. 31, 2017	10.77	6 147	571	2.19	2.19	84.30	0.12
Dec. 31, 2016	9.59	5 589	583	2.20	2.20	72.78	0.11
Dec. 31, 2015	9.34	6 451	690	2.19	2.19	78.52	0.13
Dec. 31, 2014	7.94	6 039	761	2.19	2.19	89.77	0.13
Dec. 31, 2013	7.77	6 355	818	2.20	2.20	82.15	0.13
Series D							
June 30, 2018	11.34	11 938	1 053	1.37	1.37	77.59	0.11
Dec. 31, 2017	10.83	11 529	1 065	1.37	1.37	84.30	0.12
Dec. 31, 2016	9.64	10 018	1 040	1.37	1.37	72.78	0.11
Dec. 31, 2015	9.39	11 021	1 174	1.37	1.37	78.52	0.13
Dec. 31, 2014	7.98	9 057	1 135	1.37	1.37	89.77	0.13
Dec. 31, 2013	7.82	8 571	1 096	1.37	1.37	82.15	0.13
Series F							
June 30, 2018	11.37	14 399	1 266	1.07	1.07	77.59	0.11
Dec. 31, 2017	10.84	12 073	1 114	1.09	1.09	84.30	0.12
Dec. 31, 2016	9.64	6 531	677	1.09	1.09	72.78	0.11
Dec. 31, 2015	9.40	4 385	466	1.11	1.11	78.52	0.13
Dec. 31, 2014	7.99	6 503	814	1.11	1.11	89.77	0.13
Dec. 31, 2013	7.84	7 381	941	1.10	1.10	82.15	0.13
Series O							
June 30, 2018	12.82	311	24	0.02	0.02	77.59	0.11
Dec. 31, 2017	12.15	300	25	0.02	0.02	84.30	0.12
Dec. 31, 2016	10.82	144	13	0.03	0.03	72.78	0.11
Dec. 31, 2015	10.55	144	14	0.02	0.02	78.52	0.13
Dec. 31, 2014	8.97	1	—	0.02	0.02	89.77	0.13
Dec. 31, 2013	8.78	1	—	0.02	0.02	82.15	0.13

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.



FINANCIAL HIGHLIGHTS (cont.)

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	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	—	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.

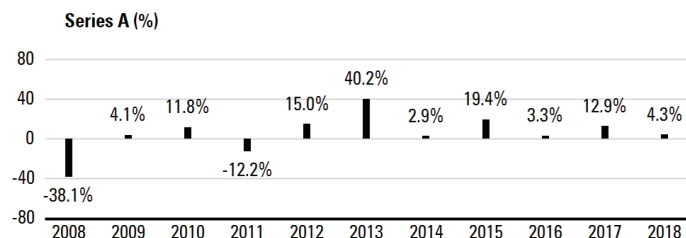
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

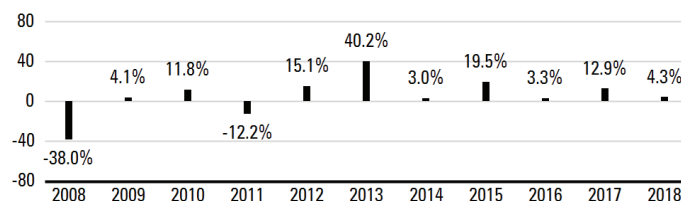
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 (%)

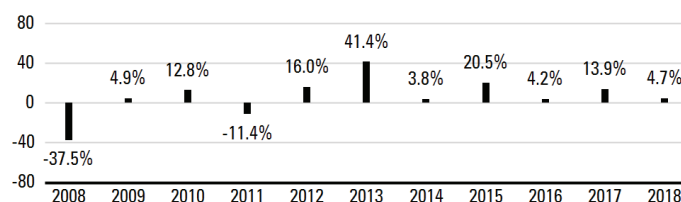
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end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



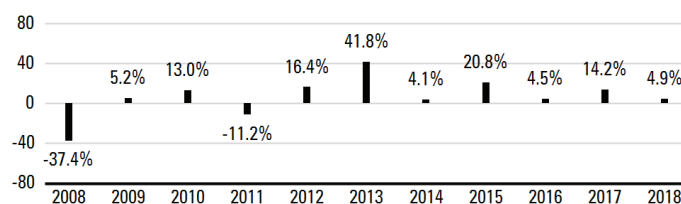
Advisor Series (%)



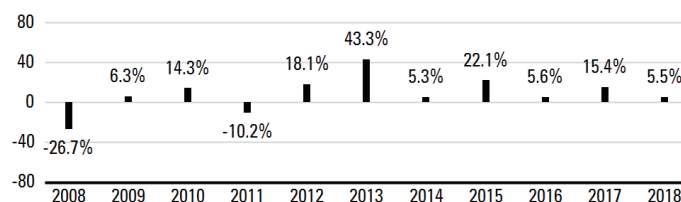
Series D (%)



Series F (%)



Series O (%)



Series O units have been available for sale to unitholders since July 18, 2008.

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
United States	50.7
Japan	7.2
United Kingdom	6.7
Canada	4.4
Australia	3.5
South Korea	3.4
Germany	2.9
Russia	2.1
South Africa	2.0
Norway	1.5
Brazil	1.2
France	1.2
Hong Kong	0.3
Switzerland	0.1
Other Countries	12.1
Cash/Other	0.7

Top 25 Holdings

	% of Net Asset Value
Medifast Inc.	3.2
Regions Financial Corp.	2.9
Fiat Chrysler Automobiles N.V.	1.9
Valero Energy Corp.	1.9
Best Buy Co. Inc.	1.8
LyondellBasell Industries N.V.	1.7
TUI AG	1.7
Novo Nordisk A/S	1.6
Hynix Semiconductor Inc.	1.5
CEZ A.S.	1.4
Intuitive Surgical Inc.	1.4
Lukoil PJSC	1.4
Boeing Co.	1.3
The Procter & Gamble Co.	1.3
Seagate Technology	1.2
Insurance Australia Group Ltd.	1.2
Royal Mail Plc.	1.2
Ameriprise Financial Inc.	1.2
Centene Corp.	1.1
Grainger (W.W.) Inc.	1.1
Plus500 Ltd.	1.1
Apple Inc.	1.1
Valeant Pharmaceuticals International Inc.	1.1
Travelport Worldwide Ltd.	1.0
Gap Inc.	1.0
Top 25 Holdings	37.3

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.



GLOBAL EQUITY FUND

**RBC QUBE ALL COUNTRY
WORLD 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 companies around the world, including companies located or active in emerging markets, using a quantitative investment approach.

To achieve the Fund's objective, the portfolio manager uses a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors.

Results of Operations

The Fund's net asset value was \$9 million as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 5.5%. The Fund's return is after the deduction of 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.

Global equity markets were mixed during the first half of 2018. U.S. stocks gained during the period and markets in Europe and Japan declined in local-currency terms but rose slightly in Canadian-dollar terms. The period was also marked by the return of volatility in financial markets driven by an escalating trade dispute between the U.S. and China, concern about higher inflation and steps taken by central banks to tighten monetary policy.

In the Health Care sector, a position in Roche held back the Fund's returns during the period. In the Consumer Staples sector, a position in Walmart dampened the Fund's performance for the period.

In the Information Technology sector, the Fund's positions in Intuit and Mastercard added significantly to returns. The Industrials sector also aided performance, with a contribution from a holding in Boeing.

Portfolio turnover was high for the Fund given the portfolio manager's model-driven investment process.

Recent Developments

There are several questions dogging stock-market investors these days, among them whether companies are relying excessively on cheap funding to bolster returns. The portfolio manager, however, is more worried about the potential impact of the tariff dispute between the U.S. and China. The unease caused by the conflict has led to increased equity-market volatility that can create investment opportunities for stock pickers. While the next 12 months may prove more volatile, the portfolio manager believes in its ability to find well-run companies that will provide attractive returns over the long term.

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.

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	Total	
Series 0												
June 30, 2018	4.76	0.10	—	0.19	(0.03)	0.26	—	—	—	—	—	5.02
Dec. 31, 2017	9.34	0.25	—	2.14	(0.29)	2.10	(2.66)	(0.13)	—	(3.61)	(6.40)	4.76
Dec. 31, 2016	10.73	0.28	—	0.31	(0.57)	0.02	—	(0.31)	(1.19)	—	(1.50)	9.34
Dec. 31, 2015	10.32	0.45	—	0.89	0.41	1.75	—	(0.45)	(0.90)	—	(1.35)	10.73
Dec. 31, 2014 ³	10.00 [†]	0.21	—	0.33	0.42	0.96	—	(0.16)	(0.29)	—	(0.45)	10.32

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 March 10, 2014.

[†] 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 0							
June 30, 2018	5.02	9 224	1 837	0.02	0.03	152.47	0.09
Dec. 31, 2017	4.76	8 877	1 865	0.02	0.04	146.30	0.21
Dec. 31, 2016	9.34	27 376	2 930	0.02	0.02	174.39	0.17
Dec. 31, 2015	10.73	109 744	10 227	0.02	0.02	130.68	0.11
Dec. 31, 2014 ⁴	10.32	93 610	9 067	0.03	0.03	94.00	0.18

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 From March 10, 2014.



FINANCIAL HIGHLIGHTS (cont.)

Management Fees

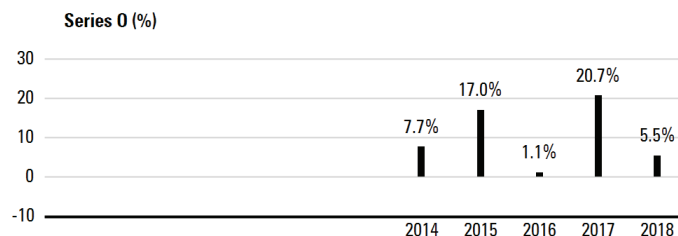
RBC GAM is the manager, trustee and portfolio manager of the Fund. No management fees are paid by the Fund with respect to Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

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 O units have been available for sale to unitholders since March 10, 2014.

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
United States	58.6
China	5.7
Denmark	5.4
United Kingdom	4.7
Japan	3.3
South Korea	3.2
Canada	2.4
Switzerland	2.1
Australia	1.8
Netherlands	1.3
Other Countries	11.2
Cash/Other	0.3

Top 25 Holdings

	% of Net Asset Value
Microsoft Corp.	3.4
Mastercard Inc.	3.3
Kimberly-Clark Corp.	2.9
Boeing Co.	2.7
Novo Nordisk A/S	2.6
Facebook Inc., Class A	2.5
LyondellBasell Industries N.V.	2.5
Phillips 66 Company	2.4
Home Depot Inc.	2.4
Danske Bank A/S	2.4
Constellation Software Inc.	2.2
Philip Morris International Inc.	2.2
3i Group Plc.	2.2
Verizon Communications Inc.	2.2
Estée Lauder Companies Inc., Class A	2.1
China Construction Bank Corp.	2.1
Waste Management Inc.	2.1
Nvidia Corp.	2.0
Target Corporation	2.0
Biogen Inc.	1.9
Samsung Electronics Co. Ltd.	1.7
Roche Holdings AG Genussscheine	1.7
China Petroleum & Chemical Corp.	1.7
Deutsche Lufthansa AG	1.6
Pulte Corp.	1.6
Top 25 Holdings	56.4

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.



GLOBAL EQUITY FUND

**RBC QUBE LOW VOLATILITY ALL
COUNTRY WORLD 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.

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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 companies around the world, including companies located or active in emerging markets, using a quantitative investment approach. The Fund seeks to achieve a reduced level of volatility of returns compared to the broader global equity market.

To achieve the Fund's objective, the portfolio manager uses a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors.

Results of Operations

The Fund's net asset value was \$132 million as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 5.2%. The Fund's return is after the deduction of 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.

Global equity markets were mixed during the first half of 2018. U.S. stocks gained during the period and markets in Europe and Japan declined in local-currency terms but rose slightly in Canadian-dollar terms. The period was also marked by the return of volatility in financial markets driven by an escalating trade dispute between the U.S. and China, concern about higher inflation and steps taken by central banks to tighten monetary policy.

In the Consumer Discretionary sector, a position in Starbucks held back the Fund's returns during the period. In the Consumer Staples sector, a position in Walmart dampened the Fund's performance in the first half.

In the Information Technology sector, the Fund's positions in Intuit and Mastercard added significantly to returns. The Health Care sector also aided performance, with contributions from holdings in UnitedHealth Group and Astellas Pharma.

Recent Developments

There are several questions dogging stock-market investors these days, among them whether companies are relying excessively on cheap funding to bolster returns. The portfolio manager, however, is more concerned about the potential impact of the tariff dispute between the U.S. and China. The unease caused by the conflict has led to increased equity-market volatility that can create investment opportunities for stock pickers. While the next 12 months may prove more volatile, the portfolio manager believes in its ability to find well-run companies that will provide attractive returns over the long term.

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.

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	Total	
Series O												
June 30, 2018	12.35	0.17	—	0.23	0.24	0.64	—	—	—	—	—	12.98
Dec. 31, 2017	11.88	0.32	—	0.89	0.34	1.55	—	(0.25)	(0.70)	—	(0.95)	12.35
Dec. 31, 2016	12.60	0.35	—	0.81	(0.69)	0.47	—	(0.33)	(0.83)	—	(1.16)	11.88
Dec. 31, 2015	10.99	0.35	—	0.58	1.53	2.46	—	(0.26)	(0.48)	—	(0.74)	12.60
Dec. 31, 2014 ³	10.00 [†]	0.20	—	0.10	0.97	1.27	—	(0.18)	(0.11)	—	(0.29)	10.99

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 April 24, 2014.

[†] 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 O							
June 30, 2018	12.98	132 320	10 191	0.02	0.02	71.11	0.05
Dec. 31, 2017	12.35	130 072	10 535	0.02	0.02	87.85	0.08
Dec. 31, 2016	11.88	70 562	5 938	0.02	0.02	89.89	0.07
Dec. 31, 2015	12.60	62 713	4 979	0.02	0.03	46.05	0.06
Dec. 31, 2014 ⁴	10.99	32 640	2 970	0.02	0.03	23.50	0.07

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 From April 24, 2014.



FINANCIAL HIGHLIGHTS (cont.)

Management Fees

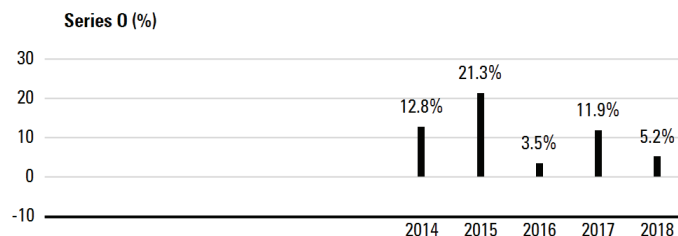
RBC GAM is the manager, trustee and portfolio manager of the Fund. No management fees are paid by the Fund with respect to Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

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 O units have been available for sale to unitholders since April 24, 2014.

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
United States	49.0
Japan	12.1
Canada	8.0
Switzerland	6.3
Belgium	4.9
Hong Kong	3.1
Taiwan	2.9
Malaysia	2.8
Israel	2.3
Other Countries	8.3
Cash/Other	0.3

Top 25 Holdings

	% of Net Asset Value
UnitedHealth Group Incorporated	3.0
NTT DoCoMo Inc.	3.0
Royal Bank of Canada	3.0
Consolidated Edison Inc.	2.9
The Coca-Cola Co.	2.9
Colruyt S.A.	2.8
Roche Holdings AG Genusscheine	2.6
Swisscom AG	2.5
Xcel Energy Inc.	2.4
Duke Energy Corp.	2.1
Starbucks Corp.	2.0
Chunghwa Telecom Co. Ltd.	2.0
Accenture Plc., Class A	2.0
Loews Corp.	1.9
Mastercard Inc.	1.8
Intuitive Surgical Inc.	1.8
CLP Holdings Ltd.	1.7
Intuit Inc.	1.7
Colgate-Palmolive Company	1.6
Bank of Nova Scotia	1.5
Exelon Corp.	1.5
Groupe Bruxelles Lambert S.A.	1.4
Astellas Pharma Inc.	1.4
Sysco Corp.	1.4
Texas Instruments Inc.	1.4
Top 25 Holdings	52.3

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.



GLOBAL EQUITY FUND

RBC GLOBAL ENERGY 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 pursues long-term capital growth by investing in equity securities of companies throughout the world that are involved directly or indirectly in the exploration, development, production or distribution of energy and energy-related products, or activities in the Energy sector.

To achieve its goal, the Fund invests in oil and gas companies with proven management, low-cost operations, strong balance sheets, high-quality reserves and consistent growth in the production of crude oil and natural gas. The Fund diversifies holdings among large, mid-size and small oil and gas producers and providers. The Fund may also invest in income trusts.

Results of Operations

The Fund's net asset value was \$255 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 10.2%. 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.

Energy stocks extended a two-year-long rally into the first half of 2018, with the benchmark price of crude oil rising 23% to finish the period at US\$74 per barrel. Natural-gas prices were essentially unchanged from the start of the year, hovering around US\$3 per million British thermal unit. Energy equities started the year with positive momentum but ceded some of their gains as investors worried that the rebound in oil prices since 2016 was not sustainable in the long run.

Security selection was the main reason for the Fund's modest underperformance during the period. A large overweight position in Concho Resources was a negative, as investors judged that the company's US\$9.5 billion agreement to acquire RSP Permian was too expensive given the potential benefits.

Overweight positions in Neo Lithium and Desert Lion, two companies involved in the exploration and production of lithium, a metal used to manufacture batteries used in electric vehicles, also negatively impacted performance. An overweight position in Hess Corp. added to relative returns on oil discoveries off the coast of Guyana. Overweight positions in Conoco Phillips and Parex Resources also benefited the Fund.

Recent Developments

The balance between the supply of and demand for crude oil has improved from a price standpoint since late 2016, when excessive inventories prompted OPEC to reduce production. As a result, the inventory glut has largely been eliminated, and inventories now sit below the five-year average.

The portfolio manager believes that investors underappreciate risks to supply that could lead to price spikes. These include the continued decline of Venezuela's crude output; capacity constraints limiting production growth in the southwestern U.S.; and U.S. demands that allies stop importing Iranian oil by November. On the other hand, a global economic slowdown due to trade tensions could hurt demand and, therefore, energy prices.

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 \$3,000 (2017 – \$7,000) or 2% (2017 – 2%) 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	38.29	0.39	(0.41)	1.00	2.84	3.82	—	—	—	—	—	42.21
Dec. 31, 2017	44.87	0.54	(0.81)	(2.78)	(3.99)	(7.04)	—	—	—	—	—	38.29
Dec. 31, 2016	34.87	0.54	(0.84)	(0.39)	10.73	10.04	—	—	—	—	—	44.87
Dec. 31, 2015	38.52	0.85	(0.84)	(3.09)	(0.50)	(3.58)	—	—	—	—	—	34.87
Dec. 31, 2014	46.34	0.71	(1.08)	5.19	(8.71)	(3.89)	—	—	(3.29)	—	(3.29)	38.52
Dec. 31, 2013	38.50	0.52	(0.89)	3.89	4.23	7.75	—	—	—	—	—	46.32
Advisor Series												
June 30, 2018	38.61	0.40	(0.40)	1.01	2.86	3.87	—	—	—	—	—	42.58
Dec. 31, 2017	45.15	0.54	(0.79)	(2.80)	(4.09)	(7.14)	—	—	—	—	—	38.61
Dec. 31, 2016	35.07	0.55	(0.83)	(0.39)	11.52	10.85	—	—	—	—	—	45.15
Dec. 31, 2015	38.72	0.85	(0.83)	(3.11)	(0.50)	(3.59)	—	—	—	—	—	35.07
Dec. 31, 2014	46.55	0.71	(1.06)	5.22	(8.76)	(3.89)	—	—	(3.29)	—	(3.29)	38.72
Dec. 31, 2013	38.65	0.52	(0.87)	3.90	4.25	7.80	—	—	—	—	—	46.53
Series D												
June 30, 2018	41.99	0.43	(0.27)	1.10	3.05	4.31	—	—	—	—	—	46.49
Dec. 31, 2017	48.78	0.59	(0.52)	(3.04)	(3.67)	(6.64)	—	—	—	—	—	41.99
Dec. 31, 2016	37.59	0.59	(0.54)	(0.42)	11.77	11.40	—	—	—	—	—	48.78
Dec. 31, 2015	41.15	0.91	(0.53)	(3.31)	(0.53)	(3.46)	—	—	—	—	—	37.59
Dec. 31, 2014	49.00	0.75	(0.67)	5.52	(9.25)	(3.65)	—	—	(3.45)	—	(3.45)	41.15
Dec. 31, 2013	40.36	0.55	(0.55)	4.09	4.45	8.54	—	—	—	—	—	48.98
Series F												
June 30, 2018	45.58	0.47	(0.23)	1.20	3.68	5.12	—	—	—	—	—	50.53
Dec. 31, 2017	52.84	0.64	(0.44)	(3.30)	(2.96)	(6.06)	—	—	—	—	—	45.58
Dec. 31, 2016	40.65	0.64	(0.47)	(0.45)	13.00	12.72	—	—	—	—	—	52.84
Dec. 31, 2015	44.40	0.98	(0.45)	(3.58)	(0.58)	(3.63)	—	—	—	—	—	40.65
Dec. 31, 2014	52.75	0.81	(0.57)	5.95	(9.98)	(3.79)	—	—	(3.75)	—	(3.75)	44.40
Dec. 31, 2013	43.33	0.59	(0.47)	4.40	4.79	9.31	—	—	—	—	—	52.73
Series O												
June 30, 2018	9.53	0.10	—	0.25	(1.69)	(1.34)	—	—	—	—	—	10.61
Dec. 31, 2017 ³	10.00 [†]	0.11	—	(0.58)	(0.83)	(1.30)	—	—	—	—	—	9.53

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 27, 2017.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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	42.21	187 256	4 437	2.13	2.13	59.82	0.11
Dec. 31, 2017	38.29	184 851	4 828	2.13	2.13	99.18	0.31
Dec. 31, 2016	44.87	249 695	5 565	2.13	2.13	103.45	0.24
Dec. 31, 2015	34.87	213 215	6 114	2.13	2.13	80.53	0.19
Dec. 31, 2014	38.52	244 868	6 357	2.13	2.13	79.24	0.19
Dec. 31, 2013	46.34	305 095	6 584	2.14	2.14	152.77	0.34
Advisor Series							
June 30, 2018	42.58	4 401	103	2.07	2.07	59.82	0.11
Dec. 31, 2017	38.61	4 810	125	2.07	2.07	99.18	0.31
Dec. 31, 2016	45.15	6 374	141	2.09	2.09	103.45	0.24
Dec. 31, 2015	35.07	4 010	114	2.09	2.09	80.53	0.19
Dec. 31, 2014	38.72	2 851	74	2.09	2.09	79.24	0.19
Dec. 31, 2013	46.55	2 516	54	2.08	2.08	152.77	0.34
Series D							
June 30, 2018	46.49	41 705	897	1.26	1.26	59.82	0.11
Dec. 31, 2017	41.99	42 245	1 006	1.26	1.26	99.18	0.31
Dec. 31, 2016	48.78	50 986	1 045	1.26	1.26	103.45	0.24
Dec. 31, 2015	37.59	35 804	953	1.25	1.25	80.53	0.19
Dec. 31, 2014	41.15	36 009	875	1.25	1.25	79.24	0.19
Dec. 31, 2013	49.00	36 816	751	1.26	1.26	152.77	0.34
Series F							
June 30, 2018	50.53	21 441	424	0.98	0.98	59.82	0.11
Dec. 31, 2017	45.58	16 116	354	0.98	0.98	99.18	0.31
Dec. 31, 2016	52.84	13 872	263	0.99	0.99	103.45	0.24
Dec. 31, 2015	40.65	3 581	88	0.99	0.99	80.53	0.19
Dec. 31, 2014	44.40	2 773	62	0.99	0.99	79.24	0.19
Dec. 31, 2013	52.75	2 992	57	0.99	0.99	152.77	0.34
Series O							
June 30, 2018	10.61	233	22	0.02	0.02	59.82	0.11
Dec. 31, 2017 ⁴	9.53	1	—	0.02	0.02	99.18	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 From February 27, 2017.



FINANCIAL HIGHLIGHTS (cont.)

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	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	—	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.

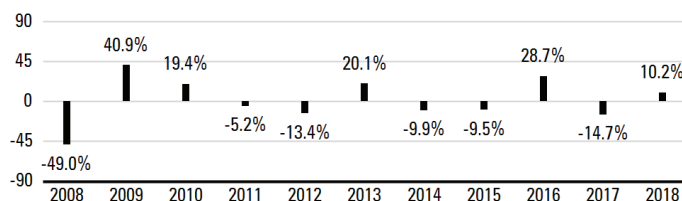
PAST PERFORMANCE

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.

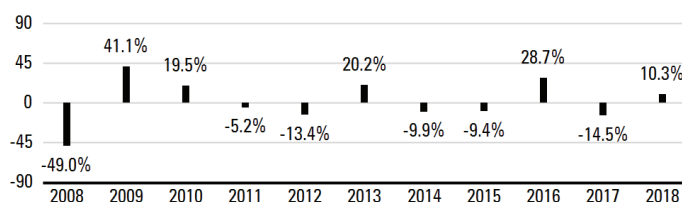
Year-by-Year Returns (%)

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.

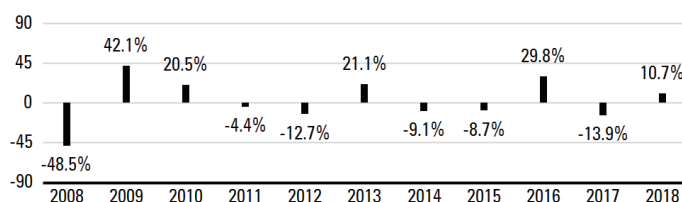
Series A (%)



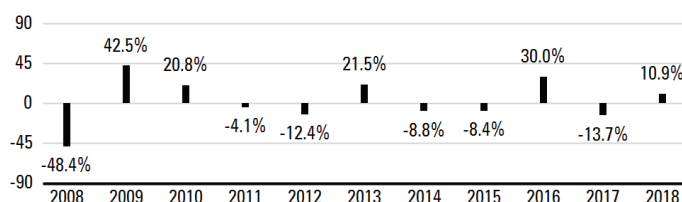
Advisor Series (%)



Series D (%)



Series F (%)



Series O (%)



Series O units have been available for sale to unitholders since February 27, 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 – Sectors

	% of Net Asset Value
Oil, Gas and Consumable Fuels	87.1
Energy Equipment and Services	3.7
Metals and Mining	0.9
Cash/Other	8.3

Investment Mix – Countries/Regions

	% of Net Asset Value
United States	53.2
Canada	18.3
United Kingdom	8.9
France	6.9
Portugal	6.2
Cash/Other	6.5

Top 25 Holdings

	% of Net Asset Value
Royal Dutch Shell Plc., A Shares	8.3
Chevron Corp.	8.1
Total S.A.	6.9
EOG Resources Inc.	6.6
Galp Energia SGPS S.A.	6.2
Cash & Cash Equivalents	5.9
Concho Resources Inc.	5.6
Suncor Energy Inc.	5.5
ConocoPhillips	4.6
Diamondback Energy Inc.	4.4
Anadarko Petroleum Corp.	3.3
Canadian Natural Resources Ltd.	3.1
Hess Corp.	3.0
Halliburton Co.	2.9
Parex Resources Inc.	2.5
Pioneer Natural Resources Co.	2.5
Exxon Mobil Corp.	2.5
Encana Corp.	2.0
Phillips 66 Company	1.8
Valero Energy Corp.	1.8
RSP Permian Inc.	1.7
Marathon Petroleum Corp.	1.3
Kelt Exploration Ltd.	1.1
Gran Tierra Energy Inc.	1.0
Cabot Oil & Gas Corp.	0.9
Top 25 Holdings	93.5

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.



GLOBAL EQUITY FUND

RBC GLOBAL PRECIOUS METALS 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 companies throughout the world involved directly or indirectly in the exploration, mining and production of precious metals including gold, silver and platinum. The Fund may also invest in bullion, coins, receipts and certificates.

The Fund selects companies with experienced management, strong balance sheets, proven ore bodies or excellent geological potential. The Fund may invest up to 20% of its assets in silver and platinum. The Fund diversifies by investing in senior and junior producers, as well as in pure exploration companies.

Results of Operations

The Fund's net asset value was \$502 million as of June 30, 2018.

Over the past six months, the Fund's Series A units lost 4.5%. 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.

Gold prices traded within a tight range for much of the first half of 2018 but finished at the lowest levels of the period as the U.S. dollar strengthened. Gold mostly fluctuated between US\$1,300 and \$1,350 per ounce after hitting a high of US\$1,358 per ounce in mid-January, as the U.S. dollar weakened to multiyear lows. The price stayed on a relatively strong footing until mid-May, when prices broke below US\$1,300 for the first time since December of last year. Losses accelerated in mid-June as renewed U.S.-dollar strength reduced the appetite for gold. Trade tensions between the U.S. and China and Europe did little to stimulate demand for gold. For the period, the gold price fell about 4%. Silver dropped 5%, while platinum and palladium declined 8% and 10%, respectively.

Underweight positions in Goldcorp and Newmont hurt relative performance, as did poor returns from Belo Sun Mining, Detour Gold and Aurion Resources. Returns were boosted by overweight positions in Kirkland Lake Gold and Wesdome Gold Mines, and by underweight positions in Randgold Resources and Sibanye Gold.

Recent Developments

In the portfolio manager's view, precious-metals equities are poised to take advantage of any hint of economic weakness that could disrupt the U.S. Federal Reserve's ability to raise interest rates and/or renewed geopolitical tensions. The worsening of global trade tensions could also drive gold higher.

The portfolio manager continues to invest primarily in higher-quality companies with superior assets, good cost controls and disciplined management teams. Precious-metals reserves and spending on exploration are in decline, which could lead to increased merger-and-acquisition activity in 2018. The Fund holds junior mining companies with attractive deposits, some of which could become takeover targets as larger companies seek to increase reserves.

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 \$20,000 (2017 – \$60,000) or 4% (2017 – 6%) 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	Total		
Series A													
June 30, 2018	33.59	0.06	(0.33)	(0.13)	(1.20)	(1.60)	—	—	—	—	—	32.07	
Dec. 31, 2017	31.47	0.09	(0.73)	2.07	0.85	2.28	—	—	—	—	—	33.59	
Dec. 31, 2016	19.58	0.16	(0.68)	5.87	6.99	12.34	—	—	—	—	—	31.47	
Dec. 31, 2015	22.16	0.19	(0.47)	(4.27)	2.09	(2.46)	—	—	—	—	—	19.58	
Dec. 31, 2014	22.30	0.19	(0.55)	(5.18)	5.58	0.04	—	—	—	—	—	22.16	
Dec. 31, 2013	39.41	0.27	(0.60)	(6.97)	(10.44)	(17.74)	—	—	—	—	—	22.14	
Advisor Series													
June 30, 2018	33.81	0.06	(0.33)	(0.13)	(1.29)	(1.69)	—	—	—	—	—	32.29	
Dec. 31, 2017	31.66	0.09	(0.73)	2.09	0.68	2.13	—	—	—	—	—	33.81	
Dec. 31, 2016	19.69	0.16	(0.68)	5.91	6.38	11.77	—	—	—	—	—	31.66	
Dec. 31, 2015	22.28	0.19	(0.46)	(4.30)	2.10	(2.47)	—	—	—	—	—	19.69	
Dec. 31, 2014	22.41	0.19	(0.55)	(5.20)	5.61	0.05	—	—	—	—	—	22.28	
Dec. 31, 2013	39.58	0.28	(0.59)	(7.00)	(10.48)	(17.79)	—	—	—	—	—	22.24	
Series D													
June 30, 2018	36.81	0.06	(0.22)	(0.14)	(1.26)	(1.56)	—	—	—	—	—	35.30	
Dec. 31, 2017	34.19	0.10	(0.48)	2.26	0.67	2.55	—	—	—	—	—	36.81	
Dec. 31, 2016	21.09	0.17	(0.44)	6.35	7.26	13.34	—	—	—	—	—	34.19	
Dec. 31, 2015	23.66	0.20	(0.30)	(4.58)	2.24	(2.44)	—	—	—	—	—	21.09	
Dec. 31, 2014	23.60	0.20	(0.35)	(5.50)	5.94	0.29	—	—	—	—	—	23.66	
Dec. 31, 2013	41.34	0.29	(0.37)	(7.35)	(11.00)	(18.43)	—	—	—	—	—	23.43	
Series F													
June 30, 2018	39.73	0.07	(0.18)	(0.15)	(1.18)	(1.44)	—	—	—	—	—	38.15	
Dec. 31, 2017	36.80	0.11	(0.40)	2.44	(0.29)	1.86	—	—	—	—	—	39.73	
Dec. 31, 2016	22.64	0.18	(0.38)	6.84	2.77	9.41	—	—	—	—	—	36.80	
Dec. 31, 2015	25.33	0.22	(0.25)	(4.92)	2.40	(2.55)	—	—	—	—	—	22.64	
Dec. 31, 2014	25.20	0.22	(0.29)	(5.88)	6.34	0.39	—	—	—	—	—	25.33	
Dec. 31, 2013	44.02	0.31	(0.32)	(7.78)	(11.65)	(19.44)	—	—	—	—	—	25.02	
Series O													
June 30, 2018	38.57	0.07	—	(0.15)	(1.37)	(1.45)	—	—	—	—	—	37.22	
Dec. 31, 2017	35.38	0.10	(0.01)	2.36	0.42	2.87	—	—	—	—	—	38.57	
Dec. 31, 2016	21.56	0.17	(0.01)	6.53	7.46	14.15	—	—	—	—	—	35.38	
Dec. 31, 2015	23.89	0.21	(0.01)	(4.66)	2.28	(2.18)	—	—	—	—	—	21.56	
Dec. 31, 2014	23.53	0.20	(0.01)	(5.52)	5.96	0.63	—	—	—	—	—	23.89	
Dec. 31, 2013	40.70	0.29	(0.01)	(7.43)	(11.13)	(18.28)	—	—	—	—	—	23.36	

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.



FINANCIAL HIGHLIGHTS (cont.)

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	32.07	323 844	10 098	2.13	2.13	27.62	0.20
Dec. 31, 2017	33.59	363 596	10 824	2.13	2.13	51.20	0.29
Dec. 31, 2016	31.47	376 847	11 977	2.12	2.12	125.59	0.61
Dec. 31, 2015	19.58	253 758	12 962	2.13	2.13	54.97	0.33
Dec. 31, 2014	22.16	317 674	14 336	2.13	2.13	79.20	0.37
Dec. 31, 2013	22.30	349 251	15 660	2.13	2.13	56.37	0.29
Advisor Series							
June 30, 2018	32.29	26 397	818	2.09	2.09	27.62	0.20
Dec. 31, 2017	33.81	30 010	888	2.09	2.09	51.20	0.29
Dec. 31, 2016	31.66	29 840	943	2.08	2.08	125.59	0.61
Dec. 31, 2015	19.69	18 356	932	2.09	2.09	54.97	0.33
Dec. 31, 2014	22.28	23 348	1 048	2.09	2.09	79.20	0.37
Dec. 31, 2013	22.41	25 817	1 152	2.10	2.10	56.37	0.29
Series D							
June 30, 2018	35.30	101 097	2 864	1.26	1.26	27.62	0.20
Dec. 31, 2017	36.81	111 596	3 032	1.26	1.26	51.20	0.29
Dec. 31, 2016	34.19	102 191	2 989	1.26	1.26	125.59	0.61
Dec. 31, 2015	21.09	67 200	3 186	1.26	1.26	54.97	0.33
Dec. 31, 2014	23.66	76 908	3 250	1.26	1.26	79.20	0.37
Dec. 31, 2013	23.60	75 419	3 195	1.26	1.26	56.37	0.29
Series F							
June 30, 2018	38.15	49 135	1 288	0.99	0.99	27.62	0.20
Dec. 31, 2017	39.73	47 066	1 185	0.99	0.99	51.20	0.29
Dec. 31, 2016	36.80	33 318	905	0.99	0.99	125.59	0.61
Dec. 31, 2015	22.64	13 813	610	0.99	0.99	54.97	0.33
Dec. 31, 2014	25.33	14 165	559	0.99	0.99	79.20	0.37
Dec. 31, 2013	25.20	15 791	627	0.99	0.99	56.37	0.29
Series O							
June 30, 2018	37.22	1 059	28	0.02	0.02	27.62	0.20
Dec. 31, 2017	38.57	1 101	29	0.02	0.02	51.20	0.29
Dec. 31, 2016	35.38	813	23	0.02	0.02	125.59	0.61
Dec. 31, 2015	21.56	462	21	0.02	0.02	54.97	0.33
Dec. 31, 2014	23.89	370	15	0.02	0.02	79.20	0.37
Dec. 31, 2013	23.53	343	15	0.02	0.02	56.37	0.29

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.



FINANCIAL HIGHLIGHTS (cont.)

Management Fees

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	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	—	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.

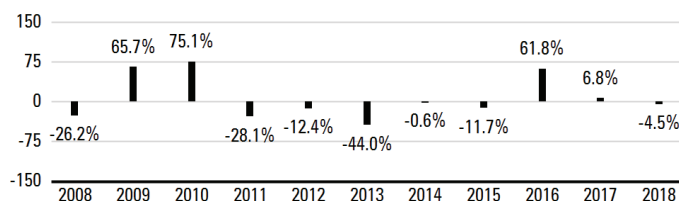
PAST PERFORMANCE

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.

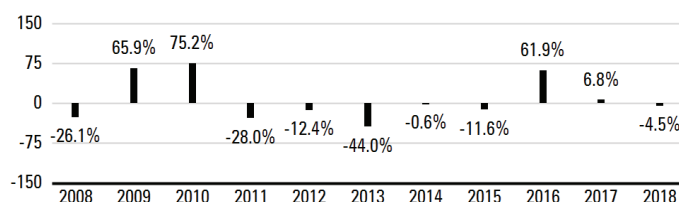
Year-by-Year Returns (%)

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.

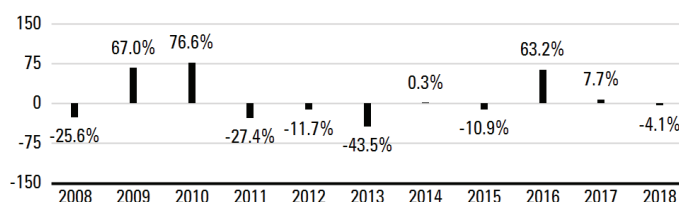
Series A (%)



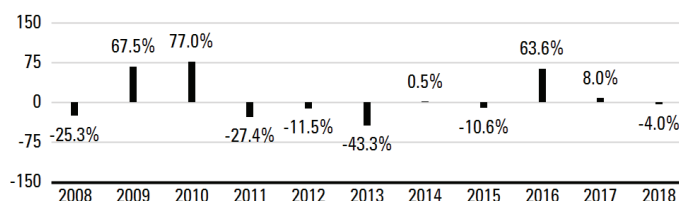
Advisor Series (%)



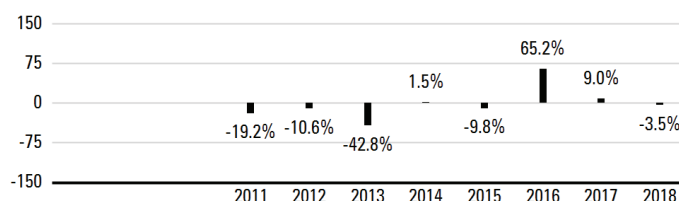
Series D (%)



Series F (%)



Series O (%)



Series O units have been available for sale to unitholders since August 2, 2011.

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 – Sectors

	% of Net Asset Value
Gold	85.2
Diversified Metals and Mining	6.8
Silver	3.2
Precious Metals and Minerals	1.1
Coal and Consumable Fuels	0.1
Cash/Other	3.6

Investment Mix – Countries/Regions

	% of Net Asset Value
Canada	86.7
United States	7.3
Australia	1.9
Cash/Other	4.1

Top 25 Holdings

	% of Net Asset Value
Kirkland Lake Gold Ltd.	10.7
Agnico Eagle Mines Ltd.	9.4
Endeavour Mining Corp.	7.2
Newmont Mining Corporation	6.7
Alamos Gold Inc., Class A	5.6
B2Gold Corp.	5.2
Wesdome Gold Mines Ltd.	4.3
Kinross Gold Corp.	3.7
Cash & Cash Equivalents	3.7
IAMGOLD Corporation	3.4
OceanaGold Corp.	3.3
Detour Gold Corp.	3.3
Goldcorp Inc.	3.2
MAG Silver Corp.	2.8
Torex Gold Resources Inc.	2.2
Semafo Inc.	1.8
Continental Gold Inc.	1.5
Marathon Gold Corp.	1.5
Belo Sun Mining Corp.	1.3
Roxgold Inc.	1.3
Cardinal Resources Ltd.	1.3
Orla Mining Ltd.	1.0
Superior Gold Inc.	1.0
Centerra Gold Inc.	0.9
SilverCrest Metals Inc.	0.9
Top 25 Holdings	87.2

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.



GLOBAL EQUITY FUND

RBC GLOBAL RESOURCES 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 in stocks of companies around the world that are directly or indirectly involved in exploring for, developing, producing or distributing natural and other resources.

The Fund pursues global companies with a leading market position, high and sustainable profitability, sound finances and attractive valuations relative to peers and the market. The Fund will focus on mid- to large-cap stocks, but will also invest in smaller companies.

Results of Operations

The Fund's net asset value was \$162 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 6.1%. 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.

Energy prices rose significantly during the period, supporting shares of companies linked to oil and natural gas. The benchmark North American price for crude oil rose 23% to finish the period at about US\$74 per barrel. Prices for base and precious metals were mixed, ceding gains early in the period amid trade tensions and a rising U.S. dollar.

The Fund's relative returns were held back by the overall negative impact of investments in multinational oil companies, partially offset by the positive impact of exposure to two of the world's largest mining companies.

Exposure to multinational oil companies and a relatively small allocation to companies that provide oilfield services were negative for relative performance. However, a significant allocation to companies that explore for and produce oil had a positive impact on returns, as these companies benefited from rising crude-oil prices. Specific positions in the Energy sector that had a negative impact on returns were higher exposure to Concho Resources and lower exposure to BP.

The Materials-sector portion of the Fund slightly outperformed given investments in the large mining companies Rio Tinto and BHP, as significant free cash flows helped to offset a negative environment for base metals toward the end of the period.

Gold prices traded within a tight range for much of the first half of 2018 but finished at the lowest levels of the period as the U.S. dollar strengthened. Gold mostly fluctuated between US\$1,300 and \$1,350 per ounce after hitting a high of US\$1,358 per ounce in mid-January, as the U.S. dollar weakened to multiyear lows. Holdings in Kirkland Lake, a gold producer, aided performance.

Recent Developments

The announcement by OPEC in June to increase production will likely help dampen the increase in oil prices. The portfolio manager anticipates that global inventories should gradually increase and that supply/demand fundamentals are better balanced in the latter half of 2018.

The portfolio manager believes that global economic growth is likely to slow given global trade tensions between the U.S., on the one hand, and China and Europe, on the other. In the portfolio manager's view, precious-metals equities could strengthen if slower growth delays the U.S. Federal Reserve's efforts to raise interest rates in 2018.

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 \$1,000 (2017 – \$5,000) or 1% (2017 – 2%) 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	Total	
Series A												
June 30, 2018	35.94	0.43	(0.39)	0.95	1.13	2.12	—	—	—	—	—	38.11
Dec. 31, 2017	34.56	0.56	(0.72)	1.75	(0.48)	1.11	—	—	—	—	—	35.94
Dec. 31, 2016	27.04	0.46	(0.67)	2.10	5.62	7.51	—	—	—	—	—	34.56
Dec. 31, 2015	30.01	0.60	(0.68)	(1.98)	(0.72)	(2.78)	—	—	—	—	—	27.04
Dec. 31, 2014	32.20	0.50	(0.77)	1.98	(3.41)	(1.70)	—	—	—	—	—	30.01
Dec. 31, 2013	29.77	0.35	(0.69)	(0.55)	3.19	2.30	—	—	—	—	—	32.18
Advisor Series												
June 30, 2018	36.12	0.44	(0.38)	0.95	1.23	2.24	—	—	—	—	—	38.33
Dec. 31, 2017	34.72	0.56	(0.70)	1.76	(0.61)	1.01	—	—	—	—	—	36.12
Dec. 31, 2016	27.15	0.46	(0.66)	2.11	5.71	7.62	—	—	—	—	—	34.72
Dec. 31, 2015	30.12	0.60	(0.67)	(1.98)	(0.72)	(2.77)	—	—	—	—	—	27.15
Dec. 31, 2014	32.29	0.50	(0.76)	1.99	(3.42)	(1.69)	—	—	—	—	—	30.12
Dec. 31, 2013	29.85	0.35	(0.67)	(0.55)	3.19	2.32	—	—	—	—	—	32.28
Series D												
June 30, 2018	39.76	0.48	(0.25)	1.05	1.16	2.44	—	—	—	—	—	42.35
Dec. 31, 2017	37.91	0.62	(0.47)	1.93	(0.55)	1.53	—	—	—	—	—	39.76
Dec. 31, 2016	29.39	0.50	(0.42)	2.29	6.17	8.54	—	—	—	—	—	37.91
Dec. 31, 2015	32.29	0.65	(0.41)	(2.14)	(0.77)	(2.67)	—	—	—	—	—	29.39
Dec. 31, 2014	34.30	0.54	(0.46)	2.12	(3.65)	(1.45)	—	—	—	—	—	32.29
Dec. 31, 2013	31.40	0.38	(0.41)	(0.58)	3.38	2.77	—	—	—	—	—	34.28
Series F												
June 30, 2018	43.48	0.53	(0.22)	1.15	1.46	2.92	—	—	—	—	—	46.38
Dec. 31, 2017	41.34	0.68	(0.40)	2.12	0.40	2.80	—	—	—	—	—	43.48
Dec. 31, 2016	31.96	0.54	(0.37)	2.50	5.82	8.49	—	—	—	—	—	41.34
Dec. 31, 2015	35.03	0.72	(0.34)	(2.36)	(0.85)	(2.83)	—	—	—	—	—	31.96
Dec. 31, 2014	37.10	0.58	(0.40)	2.28	(3.93)	(1.47)	—	—	—	—	—	35.03
Dec. 31, 2013	33.88	0.41	(0.35)	(0.63)	3.65	3.08	—	—	—	—	—	37.09
Series O												
June 30, 2018	41.45	0.50	—	1.10	1.04	2.64	—	—	—	—	—	44.42
Dec. 31, 2017	39.03	0.64	(0.01)	2.00	(0.53)	2.10	—	—	—	—	—	41.45
Dec. 31, 2016	29.89	0.51	(0.01)	2.34	6.26	9.10	—	—	—	—	—	39.03
Dec. 31, 2015	32.44	0.66	(0.01)	(2.17)	(0.79)	(2.31)	—	—	—	—	—	29.89
Dec. 31, 2014	34.03	0.54	(0.01)	2.12	(3.66)	(1.01)	—	—	—	—	—	32.44
Dec. 31, 2013	30.77	0.37	(0.01)	(0.58)	3.36	3.14	—	—	—	—	—	34.01

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.



FINANCIAL HIGHLIGHTS (cont.)

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	38.11	111 533	2 927	2.14	2.14	53.39	0.16
Dec. 31, 2017	35.94	117 183	3 261	2.14	2.14	86.10	0.32
Dec. 31, 2016	34.56	132 035	3 820	2.20 ⁴	2.20	106.14	0.31
Dec. 31, 2015	27.04	117 255	4 336	2.26	2.26	82.71	0.28
Dec. 31, 2014	30.01	152 310	5 075	2.26	2.26	69.71	0.22
Dec. 31, 2013	32.20	195 590	6 075	2.27	2.27	127.17	0.30
Advisor Series							
June 30, 2018	38.33	5 742	150	2.08	2.08	53.39	0.16
Dec. 31, 2017	36.12	6 507	180	2.08	2.08	86.10	0.32
Dec. 31, 2016	34.72	8 275	238	2.14 ⁴	2.14	106.14	0.31
Dec. 31, 2015	27.15	7 118	262	2.21	2.21	82.71	0.28
Dec. 31, 2014	30.12	8 644	287	2.20	2.20	69.71	0.22
Dec. 31, 2013	32.29	10 143	314	2.21	2.21	127.17	0.30
Series D							
June 30, 2018	42.35	23 017	544	1.26	1.26	53.39	0.16
Dec. 31, 2017	39.76	22 754	572	1.26	1.26	86.10	0.32
Dec. 31, 2016	37.91	26 077	688	1.26	1.26	106.14	0.31
Dec. 31, 2015	29.39	19 256	655	1.26	1.26	82.71	0.28
Dec. 31, 2014	32.29	23 082	715	1.26	1.26	69.71	0.22
Dec. 31, 2013	34.30	25 739	750	1.27	1.27	127.17	0.30
Series F							
June 30, 2018	46.38	17 654	381	0.98	0.98	53.39	0.16
Dec. 31, 2017	43.48	13 369	308	0.99	0.99	86.10	0.32
Dec. 31, 2016	41.34	8 050	195	1.00	1.00	106.14	0.31
Dec. 31, 2015	31.96	4 874	152	0.99	0.99	82.71	0.28
Dec. 31, 2014	35.03	2 216	63	1.00	1.00	69.71	0.22
Dec. 31, 2013	37.10	3 865	104	1.00	1.00	127.17	0.30
Series O							
June 30, 2018	44.42	3 766	85	0.02	0.02	53.39	0.16
Dec. 31, 2017	41.45	3 215	78	0.02	0.02	86.10	0.32
Dec. 31, 2016	39.03	3 730	96	0.02	0.02	106.14	0.31
Dec. 31, 2015	29.89	2 993	100	0.02	0.02	82.71	0.28
Dec. 31, 2014	32.44	1 671	52	0.02	0.02	69.71	0.22
Dec. 31, 2013	34.03	1 264	37	0.02	0.02	127.17	0.30

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 and Advisor Series 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 – 2.14% and Advisor Series – 2.09%.



FINANCIAL HIGHLIGHTS (cont.)

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	1.75%	62%	38%
Advisor Series	1.75%	62%	38%
Series D	1.00%	25%	75%
Series F	0.75%	—	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.

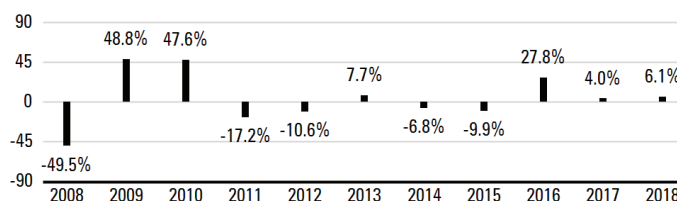
PAST PERFORMANCE

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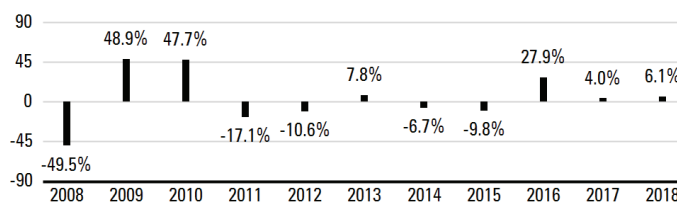
Year-by-Year Returns (%)

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.

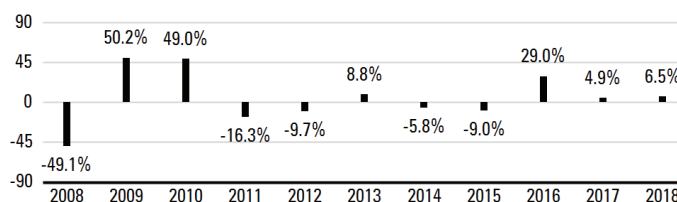
Series A (%)



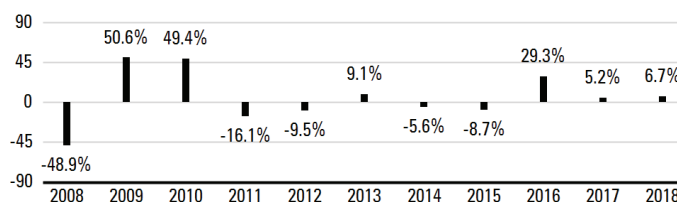
Advisor Series (%)



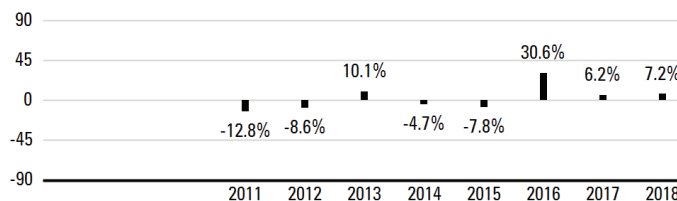
Series D (%)



Series F (%)



Series O (%)



Series O units have been available for sale to unitholders since July 11, 2011.

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 – Sectors

	% of Net Asset Value
Oil, Gas and Consumable Fuels	49.5
Metals and Mining	20.2
Chemicals	17.1
Energy Equipment and Services	2.4
Paper and Forest Products	2.1
Construction Materials	1.3
Containers and Packaging	0.4
Cash/Other	7.0

Investment Mix – Countries/Regions

	% of Net Asset Value
United States	46.6
Canada	14.8
United Kingdom	14.7
France	5.7
Australia	4.6
Other Countries	7.2
Cash/Other	6.4

Top 25 Holdings

	% of Net Asset Value
Royal Dutch Shell Plc., A Shares	7.7
Cash & Cash Equivalents	6.5
Chevron Corp.	6.4
Rio Tinto Plc.	5.9
Total S.A.	4.4
EOG Resources Inc.	4.3
BHP Billiton Plc.	4.2
ConocoPhillips	3.5
Diamondback Energy Inc.	3.4
Galp Energia SGPS S.A.	2.7
Concho Resources Inc.	2.7
Halliburton Co.	2.4
Anadarko Petroleum Corp.	2.2
Praxair Inc.	2.1
Exxon Mobil Corp.	2.1
Canadian Natural Resources Ltd.	2.0
DowDuPont Inc.	1.6
Hess Corp.	1.5
Glencore Plc.	1.5
Parex Resources Inc.	1.5
Nutrien Ltd.	1.4
Air Liquide S.A.	1.2
PPG Industries Inc.	1.2
Eastman Chemical Company	1.1
LyondellBasell Industries N.V.	1.1
Top 25 Holdings	74.6

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.



GLOBAL EQUITY FUND

RBC GLOBAL TECHNOLOGY 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 companies operating in various countries around the world that develop or market technology and telecommunications products and services.

The Fund invests in global companies with a leading market position, high and sustainable profitability, sound finances and attractive valuations relative to peers and the market. The Fund will focus on mid- to large-cap stocks, but will also invest in smaller companies.

Results of Operations

The Fund's net asset value was \$159 million as of June 30, 2018.

Over the past six months, the Fund's Series A units gained 13.4%. 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.

The Information Technology sector was among the best-performing global sectors in the first half of 2018. Demand for semiconductors continued to strengthen amid auto and industrial trends as well as from accelerating demand from data centres. Facebook rebounded from declines in March and April as investors appeared to shake off the potential impact of accusations that the company improperly disclosed user data. Overall, the Information Technology sector is benefiting from a strong appetite for takeovers and global demand for its products.

Security selection in the Fund was positive in the first half of 2018. Positions in Shopify and Amazon boosted returns. Shopify has had much success since its initial public offering in 2015, as the company continues to expand its reach among small- and medium-sized merchants. Amazon, the internet retailer, continued to benefit from the ramping-up of same-day deliveries and has diversified its revenue mix with high-growth, high-margin internet-marketing services.

Conversely, not holding Twitter dampened returns during the period. The stock fell significantly from its initial public offering price in 2013 but recovered somewhat in 2018. Twitter, with 336 million active users, has historically struggled to attract advertisers to its platform.

Recent Developments

Equities fluctuated significantly during the first half of the year as rapid corporate-profit growth was offset by contracting price-to-earnings ratios. Expanding valuations have been a significant source of gains for stocks during this long bull market, but sustained earnings growth will be critical to drive stocks higher from here. Earnings have indeed been growing rapidly, helped in part by the U.S. tax cuts. The positive trend in earnings is expected to persist, and the portfolio manager's research suggests a reasonable outcome is for stocks to deliver positive returns this year and next. The portfolio manager acknowledges, however, that any deterioration in the outlook for earnings would leave markets vulnerable to correction given currently demanding valuations.

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.

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	Total		
Series A													
June 30, 2018	5.20	0.04	(0.06)	0.04	0.64	0.66	—	—	—	—	—	5.89	
Dec. 31, 2017	4.06	0.06	(0.10)	0.07	1.06	1.09	—	—	—	—	—	5.20	
Dec. 31, 2016	3.85	0.04	(0.08)	0.38	(0.14)	0.20	—	—	—	—	—	4.06	
Dec. 31, 2015	3.23	0.03	(0.08)	0.50	0.15	0.60	—	—	—	—	—	3.85	
Dec. 31, 2014	2.71	0.03	(0.07)	0.53	—	0.49	—	—	—	—	—	3.23	
Dec. 31, 2013	1.93	0.02	(0.05)	0.57	0.23	0.77	—	—	—	—	—	2.71	
Advisor Series													
June 30, 2018	5.31	0.04	(0.06)	0.04	0.66	0.68	—	—	—	—	—	6.02	
Dec. 31, 2017	4.15	0.06	(0.10)	0.07	1.11	1.14	—	—	—	—	—	5.31	
Dec. 31, 2016	3.93	0.04	(0.08)	0.39	(0.13)	0.22	—	—	—	—	—	4.15	
Dec. 31, 2015	3.29	0.03	(0.08)	0.52	0.15	0.62	—	—	—	—	—	3.93	
Dec. 31, 2014	2.76	0.03	(0.07)	0.54	0.01	0.51	—	—	—	—	—	3.29	
Dec. 31, 2013	1.97	0.02	(0.05)	0.58	0.24	0.79	—	—	—	—	—	2.76	
Series D													
June 30, 2018	5.75	0.04	(0.04)	0.04	0.63	0.67	—	—	—	—	—	6.55	
Dec. 31, 2017	4.46	0.07	(0.07)	0.08	1.05	1.13	—	—	—	—	—	5.75	
Dec. 31, 2016	4.18	0.05	(0.05)	0.42	(0.21)	0.21	—	—	—	—	—	4.46	
Dec. 31, 2015	3.47	0.04	(0.05)	0.54	0.16	0.69	—	—	—	—	—	4.18	
Dec. 31, 2014	2.88	0.04	(0.04)	0.57	0.01	0.58	—	—	—	—	—	3.47	
Dec. 31, 2013	2.03	0.02	(0.03)	0.60	0.25	0.84	—	—	—	—	—	2.88	
Series F													
June 30, 2018	6.42	0.05	(0.03)	0.04	0.73	0.79	—	—	—	—	—	7.32	
Dec. 31, 2017	4.97	0.07	(0.06)	0.09	1.18	1.28	—	—	—	—	—	6.42	
Dec. 31, 2016	4.65	0.05	(0.05)	0.47	(0.21)	0.26	—	—	—	—	—	4.97	
Dec. 31, 2015	3.84	0.04	(0.04)	0.60	0.18	0.78	—	—	—	—	—	4.65	
Dec. 31, 2014	3.19	0.04	(0.03)	0.63	0.01	0.65	—	—	—	—	—	3.84	
Dec. 31, 2013	2.24	0.02	(0.03)	0.67	0.27	0.93	—	—	—	—	—	3.19	

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.



FINANCIAL HIGHLIGHTS (cont.)

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	5.89	73 079	12 400	2.15	2.15	34.12	0.02
Dec. 31, 2017	5.20	51 790	9 970	2.16	2.16	32.17	0.03
Dec. 31, 2016	4.06	31 513	7 754	2.21 ⁴	2.21	305.25	0.15
Dec. 31, 2015	3.85	31 990	8 311	2.27	2.27	396.65	0.24
Dec. 31, 2014	3.23	24 620	7 634	2.27	2.28	494.71	0.33
Dec. 31, 2013	2.71	20 088	7 422	2.28	2.28	325.83	0.32
Advisor Series							
June 30, 2018	6.02	4 815	799	2.12	2.12	34.12	0.02
Dec. 31, 2017	5.31	3 140	591	2.12	2.12	32.17	0.03
Dec. 31, 2016	4.15	1 889	455	2.18 ⁴	2.19	305.25	0.15
Dec. 31, 2015	3.93	1 649	419	2.25	2.26	396.65	0.24
Dec. 31, 2014	3.29	1 378	419	2.26	2.27	494.71	0.33
Dec. 31, 2013	2.76	1 392	504	2.29	2.29	325.83	0.32
Series D							
June 30, 2018	6.55	64 456	9 840	1.26	1.26	34.12	0.02
Dec. 31, 2017	5.75	37 351	6 497	1.27	1.27	32.17	0.03
Dec. 31, 2016	4.46	14 538	3 261	1.26	1.27	305.25	0.15
Dec. 31, 2015	4.18	14 189	3 392	1.26	1.27	396.65	0.24
Dec. 31, 2014	3.47	8 217	2 368	1.25	1.26	494.71	0.33
Dec. 31, 2013	2.88	4 418	1 532	1.27	1.27	325.83	0.32
Series F							
June 30, 2018	7.32	16 342	2 232	0.99	0.99	34.12	0.02
Dec. 31, 2017	6.42	6 939	1 081	1.01	1.01	32.17	0.03
Dec. 31, 2016	4.97	1 718	346	1.02	1.02	305.25	0.15
Dec. 31, 2015	4.65	1 558	335	0.99	1.00	396.65	0.24
Dec. 31, 2014	3.84	467	121	0.98	0.99	494.71	0.33
Dec. 31, 2013	3.19	479	150	1.02	1.02	325.83	0.32

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 and Advisor Series 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 – 2.15% and Advisor Series – 2.13%.

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	1.75%	62%	38%
Advisor Series	1.75%	62%	38%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%

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

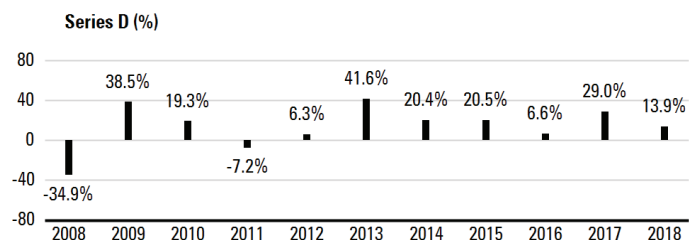
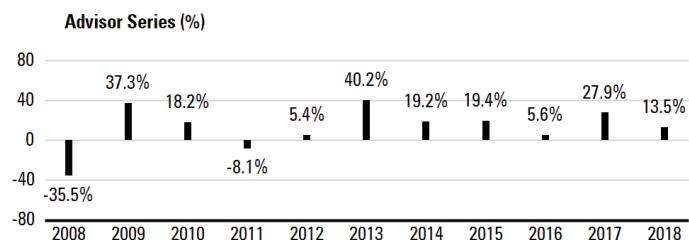
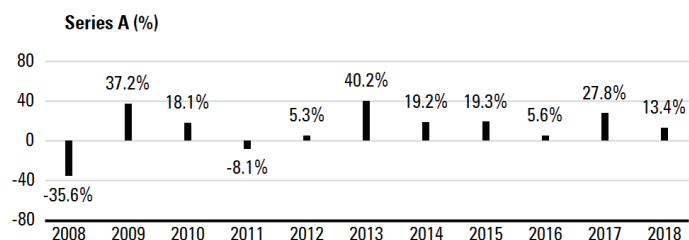


PAST PERFORMANCE

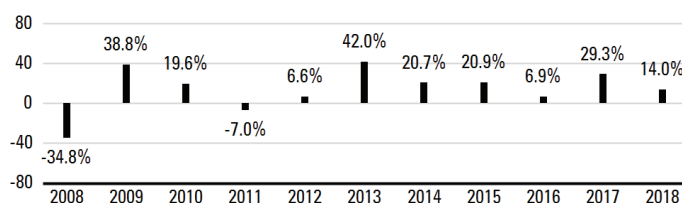
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional 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 F (%)



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 – Sectors

	% of Net Asset Value
Software	25.0
Internet Software and Services	18.6
Semiconductors and Semiconductor Equipment	16.0
IT Services	15.4
Technology Hardware, Storage and Peripherals	11.6
Electronic Equipment and Instruments	5.0
Communications Equipment	4.3
Internet and Direct Marketing Retail	0.4
Cash/Other	3.7

Investment Mix – Countries/Regions

	% of Net Asset Value
United States	86.5
Japan	4.3
Other Countries	6.2
Cash/Other	3.0



SUMMARY OF INVESTMENT PORTFOLIO (cont.)

(after consideration of derivative products, if any)

As at June 30, 2018

Top 25 Holdings

	% of Net Asset Value
Microsoft Corp.	9.9
Alphabet Inc., Class A	9.9
Apple Inc.	9.7
Facebook Inc., Class A	6.7
Intel Corp.	3.7
Visa Inc., Class A	3.7
Cisco Systems Inc.	3.2
Cash & Cash Equivalents	3.1
Mastercard Inc.	2.9
Nvidia Corp.	2.3
Oracle Corporation	2.0
Broadcom Inc.	2.0
Adobe Systems Inc.	2.0
Texas Instruments Inc.	1.7
Salesforce.com Inc.	1.7
Accenture Plc., Class A	1.6
PayPal Holdings Inc.	1.6
SAP SE ADR	1.6
Micron Technology Inc.	1.3
International Business Machines	1.2
Activision Blizzard Inc.	1.1
QUALCOMM Inc.	1.0
Intuit Inc.	0.9
Applied Materials Inc.	0.9
Cognizant Technology Solutions Corp., Class A	0.9
Top 25 Holdings	76.6

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.



FIXED INCOME

**RBC PRIVATE SHORT-TERM
INCOME POOL**

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.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a competitive level of monthly income by investing primarily in short-term, high-quality fixed-income securities issued or guaranteed by Canadian federal, provincial or municipal governments or corporations, asset-backed securities and corporate bonds.

The Fund invests no more than 40% of its assets in high-quality first mortgages on Canadian residential property insured by the Canada Mortgage and Housing Corporation. Corporate bonds have a minimum rating of BBB as rated by the Dominion Bond Rating Service or its equivalent.

Results of Operations

The Fund's net asset value was \$1.2 billion as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 0.5%. The Fund's return is after the deduction of 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.

Canadian fixed-income markets initially weakened in early 2018 as a firming domestic economy, tighter U.S. monetary policy and a recovering global economy weighed on bond prices. The Canadian economy slowed somewhat following last year's significant improvement, limiting the Bank of Canada (the "BOC") to one interest-rate hike early in the year. The U.S. Federal Reserve (the "Fed") increased rates twice and suggested more hikes are in store. This pushed up Treasury yields and pushed down prices, and had a similar effect on Canadian short-term bonds. Later in the year, however, Canadian bond yields began to decline more quickly than yields on their U.S. counterparts as growing concern over negotiations involving the North American Free Trade Agreement and a looming trade war between the U.S. and Canada appeared to trim the odds that the BOC would raise rates in the near term.

Given that bond yields rose gradually, the portfolio manager selectively traded government bonds to capture trading opportunities. Exposure to non-government securities remained stable, as valuations were not attractive enough to justify adding to the Fund's holdings, and the Fund was managed such that changes in interest rates would not have a significant impact on relative returns. The Fund's returns benefited from relative exposure to both corporate and provincial bonds.

Recent Developments

The BOC may proceed with additional interest-rate hikes, in the view of the portfolio manager. A number of concerns that led the BOC to pause have receded, and although the Canadian economy is growing at a lacklustre rate, short-term rates are too low given the length of the economic recovery. One development making Canadian rate hikes more likely is the Fed's recent rate increases, which would let the BOC boost rates without leading to excessive strength in the Canadian dollar. In any case, the portfolio manager expects that the BOC would raise rates at a gradual pace.

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.

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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.

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 F												
June 30, 2018	100.68	1.20	(0.21)	(0.39)	(0.28)	0.32	(1.07)	—	—	—	(1.07)	99.93
Dec. 31, 2017	102.76	2.45	(0.44)	(0.57)	(1.46)	(0.02)	(2.00)	—	—	—	(2.00)	100.68
Dec. 31, 2016	103.88	2.67	(0.44)	(0.16)	(1.02)	1.05	(2.18)	—	—	—	(2.18)	102.76
Dec. 31, 2015	104.02	2.76	(0.45)	(0.26)	—	2.05	(2.30)	—	—	—	(2.30)	103.88
Dec. 31, 2014	103.54	2.93	(0.45)	(0.28)	0.68	2.88	(2.48)	—	—	—	(2.48)	104.02
Dec. 31, 2013	104.31	3.18	(0.47)	(0.33)	(0.57)	1.81	(2.75)	—	—	—	(2.75)	103.44
Series O												
June 30, 2018	100.82	1.21	(0.03)	(0.39)	(0.31)	0.48	(1.26)	—	—	—	(1.26)	100.06
Dec. 31, 2017	102.91	2.42	(0.06)	(0.56)	(1.36)	0.44	(2.39)	—	—	—	(2.39)	100.82
Dec. 31, 2016	104.06	2.66	(0.06)	(0.16)	(1.11)	1.33	(2.60)	—	—	—	(2.60)	102.91
Dec. 31, 2015	104.23	2.77	(0.06)	(0.26)	—	2.45	(2.72)	—	—	—	(2.72)	104.06
Dec. 31, 2014	103.74	2.92	(0.06)	(0.28)	0.68	3.26	(2.86)	—	—	—	(2.86)	104.23
Dec. 31, 2013	104.55	3.21	(0.06)	(0.34)	(0.58)	2.23	(3.18)	—	—	—	(3.18)	103.64

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	99.93	18 202	182	0.43	0.43	24.95	—
Dec. 31, 2017	100.68	19 981	198	0.43	0.43	27.61	—
Dec. 31, 2016	102.76	23 147	225	0.43	0.43	29.34	—
Dec. 31, 2015	103.88	19 576	188	0.43	0.43	25.17	—
Dec. 31, 2014	104.02	13 408	129	0.43	0.43	33.94	—
Dec. 31, 2013	103.54	12 619	122	0.45	0.45	40.99	—
Series O							
June 30, 2018	100.06	1 195 902	11 951	0.06	0.06	24.95	—
Dec. 31, 2017	100.82	1 240 866	12 307	0.05	0.05	27.61	—
Dec. 31, 2016	102.91	1 606 366	15 608	0.06	0.06	29.34	—
Dec. 31, 2015	104.06	1 255 124	12 062	0.06	0.06	25.17	—
Dec. 31, 2014	104.23	1 074 039	10 304	0.06	0.06	33.94	—
Dec. 31, 2013	103.74	824 738	7 950	0.06	0.06	40.99	—

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund. The management fee with respect to Series F units is 0.35% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

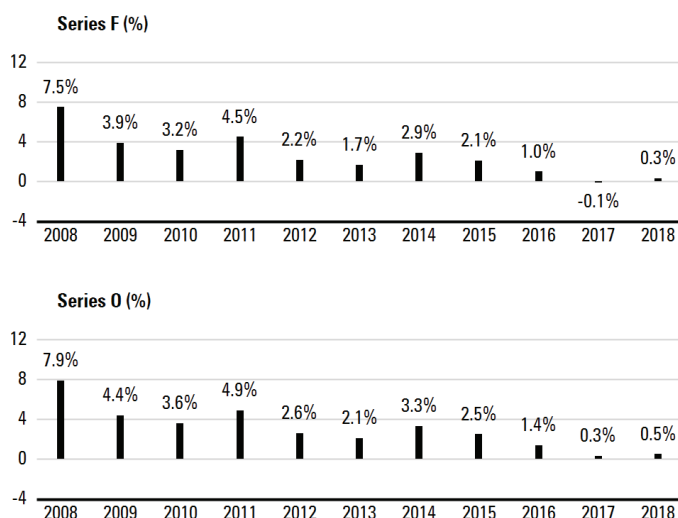


PAST PERFORMANCE

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, or 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.



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
Corporate Bonds	45.3
Federal Bonds	25.4
Provincial Bonds	25.3
Cash/Other	4.0

Top 25 Holdings

	% of Net Asset Value
Canada Housing Trust No. 1 2.650% Mar 15 2022	4.2
Province of Ontario 4.000% Jun 2 2021	3.8
Province of Ontario 2.100% Sep 8 2019	3.2
Province of Quebec 3.500% Dec 1 2022	3.2
Cash & Cash Equivalents	2.8
Canada Housing Trust No. 1 1.250% Jun 15 2021	2.8
Province of Ontario 1.350% Mar 8 2022	2.7
Government of Canada 1.500% Jun 1 2023	2.6
Province of Ontario 2.850% Jun 2 2023	2.3
Government of Canada 0.750% Sep 1 2020	2.3
Province of Manitoba 1.550% Sep 5 2021	2.0
Government of Canada 0.500% Mar 1 2022	2.0
Province of Alberta 1.350% Sep 1 2021	1.6
Canada Housing Trust No. 1 1.950% Jun 15 2019	1.6
Royal Bank of Canada 1.920% Jul 17 2020	1.6
National Bank of Canada 1.742% Mar 3 2020	1.5
Canada Housing Trust No. 1 1.250% Dec 15 2020	1.5
HSBC Bank Canada 2.938% Jan 14 2020	1.5
Government of Canada 0.750% Mar 1 2021	1.3
Canadian Imperial Bank of Commerce 1.850% Jul 14 2020	1.3
Canada Housing Trust No. 1 1.750% Jun 15 2022	1.2
Government of Canada 3.250% Jun 1 2021	1.1
Government of Canada 1.750% Mar 1 2023	1.0
Toronto-Dominion Bank 1.994% Mar 23 2022	1.0
Province of British Columbia 3.250% Dec 18 2021	1.0
Top 25 Holdings	51.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.



FIXED INCOME

**RBC PRIVATE CANADIAN
CORPORATE BOND POOL**

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 returns consisting primarily of interest income and moderate capital growth. The Fund invests in investment-grade fixed-income securities issued by Canadian corporations and may hold similar securities of U.S. corporations.

The Fund uses a disciplined approach to assess opportunities based on the overall direction of interest rates, expected changes in interest rate spreads, changes in individual credit ratings or quality perceptions, foreign currency risk and corporate bond risk premium and rate change. The Fund may invest up to 30% of its assets in foreign securities and no more than 20% may be invested in securities rated below BBB by Dominion Bond Rating Service or its equivalent.

Results of Operations

The Fund's net asset value was \$1.2 billion as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 0.8%. The Fund's return is after the deduction of 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.

Canadian fixed-income securities recorded modest total returns during the first half of 2018, with corporate bonds slightly outperforming government and provincial bonds. Bonds recovered from significant declines early in the period, when strengthening economic growth and concern about faster inflation prompted the Bank of Canada and the U.S. Federal Reserve to boost short-term interest rates. However, the potential for a global trade war as well as political developments in Europe led to worries about economic growth, pulling down bond yields and lifting prices.

Returns across all industry sectors were fairly uniform except for in the underperforming Financials sector. The Industrials sector performed best. The Fund's returns were limited by investors' searching for higher-quality assets later in the period, which meant less demand for corporate bonds.

The Fund benefited from holdings in higher-yielding floating-rate paper, high-yield bonds and preferred shares, all of which cushioned losses when rates were rising early in the period.

Recent Developments

The Canadian corporate-bond market is torn between the forces of strong global economic growth and higher oil prices, both of which tend to push up yields, and the threat of a trade war and European politics, which should pull yields down. In this uncertain environment, the portfolio manager stands ready to reduce higher-risk, high-yield bond holdings and preferred shares.

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.

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 F												
June 30, 2018	11.20	0.20	(0.03)	0.04	(0.15)	0.06	(0.19)	—	—	—	(0.19)	11.07
Dec. 31, 2017	11.23	0.40	(0.06)	0.09	(0.14)	0.29	(0.34)	(0.01)	—	—	(0.35)	11.20
Dec. 31, 2016	11.21	0.41	(0.06)	0.02	(0.02)	0.35	(0.35)	—	—	—	(0.35)	11.23
Dec. 31, 2015	11.32	0.42	(0.07)	0.01	(0.15)	0.21	(0.35)	—	—	—	(0.35)	11.21
Dec. 31, 2014	10.93	0.46	(0.07)	0.02	0.35	0.76	(0.39)	—	—	—	(0.39)	11.32
Dec. 31, 2013	11.23	0.47	(0.07)	0.05	(0.38)	0.07	(0.40)	—	—	—	(0.40)	10.91
Series O												
June 30, 2018	11.16	0.20	—	0.04	(0.17)	0.07	(0.21)	(0.01)	—	—	(0.22)	11.03
Dec. 31, 2017	11.20	0.39	—	0.09	(0.11)	0.37	(0.39)	(0.01)	—	—	(0.40)	11.16
Dec. 31, 2016	11.17	0.41	—	0.02	(0.02)	0.41	(0.40)	—	—	—	(0.40)	11.20
Dec. 31, 2015	11.28	0.42	—	0.01	(0.15)	0.28	(0.42)	—	—	—	(0.42)	11.17
Dec. 31, 2014	10.89	0.46	—	0.02	0.35	0.83	(0.45)	—	—	—	(0.45)	11.28
Dec. 31, 2013	11.19	0.47	—	0.05	(0.38)	0.14	(0.47)	—	—	—	(0.47)	10.87

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	11.07	53 580	4 841	0.49	0.49	15.06	—
Dec. 31, 2017	11.20	51 165	4 567	0.49	0.49	20.84	—
Dec. 31, 2016	11.23	59 493	5 295	0.54 ⁴	0.54	13.35	—
Dec. 31, 2015	11.21	49 479	4 412	0.60	0.60	22.19	—
Dec. 31, 2014	11.32	42 717	3 772	0.60	0.60	27.89	—
Dec. 31, 2013	10.93	36 346	3 325	0.62	0.62	22.85	—
Series O							
June 30, 2018	11.03	1 131 978	102 648	0.04	0.04	15.06	—
Dec. 31, 2017	11.16	1 321 954	118 445	0.03	0.03	20.84	—
Dec. 31, 2016	11.20	2 201 614	196 625	0.03	0.03	13.35	—
Dec. 31, 2015	11.17	2 080 488	186 211	0.03	0.03	22.19	—
Dec. 31, 2014	11.28	1 896 603	168 089	0.03	0.03	27.89	—
Dec. 31, 2013	10.89	1 412 211	129 647	0.03	0.03	22.85	—

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.

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 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 F – 0.49%.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund.

The management fee with respect to Series F units is 0.40% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

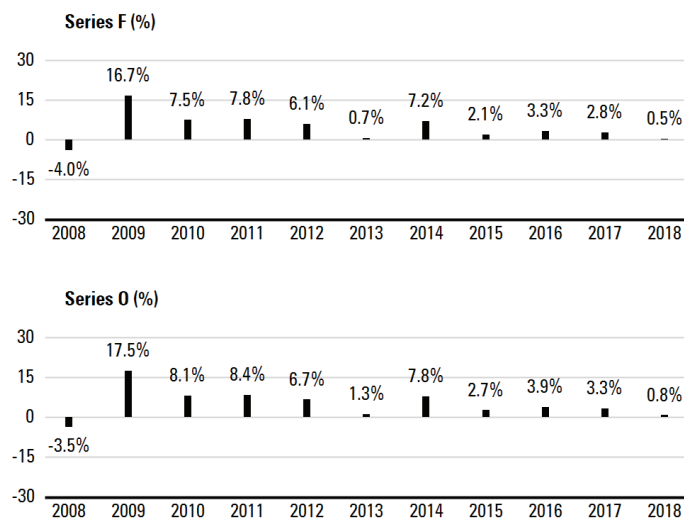


PAST PERFORMANCE

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, or 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.



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
Canadian Bonds	92.5
Canadian Equities	3.6
Foreign Bonds	2.3
Cash/Other	1.6

Top 25 Holdings

	% of Net Asset Value
Enbridge Gas Distribution Inc. 5.210% Feb 25 2036	1.1
Canadian Imperial Bank of Commerce 2.040% Mar 21 2022	1.1
FortisAlberta Inc. 6.220% Oct 31 2034	1.0
Greater Toronto Airports Authority 6.980% Oct 15 2032	1.0
TELUS Corp. 4.400% Apr 1 2043	1.0
407 International Inc. 5.750% Feb 14 2036	1.0
Loblaw Companies Ltd. 6.050% Jun 9 2034	1.0
Bank of Nova Scotia 2.290% Jun 28 2024	1.0
Greater Toronto Airports Authority 6.470% Feb 2 2034	1.0
Greater Toronto Airports Authority 7.100% Jun 4 2031	1.0
TransCanada PipeLines Ltd. 5.650% Jun 20 2029	1.0
Hydro One Inc. 5.360% May 20 2036	0.9
Loblaw Companies Ltd. 5.900% Jan 18 2036	0.9
Hydro One Inc. 6.030% Mar 3 2039	0.9
Bell Canada 3.000% Oct 3 2022	0.9
Bank of Montreal 3.400% Apr 23 2021	0.9
Bank of Nova Scotia 3.270% Jan 11 2021	0.9
Rogers Communications Inc. 5.340% Mar 22 2021	0.9
Bell Canada 3.350% Mar 22 2023	0.9
TELUS Corp. 2.350% Mar 28 2022	0.9
Canadian Imperial Bank of Commerce 1.900% Apr 26 2021	0.9
Rogers Communications Inc. 6.110% Aug 25 2040	0.9
Toronto-Dominion Bank 2.621% Dec 22 2021	0.8
Bank of Nova Scotia 2.130% Jun 15 2020	0.8
Bank of Nova Scotia 2.090% Sep 9 2020	0.8
Top 25 Holdings	23.5

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.



BALANCED

RBC PRIVATE INCOME POOL

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 a competitive monthly income stream through relatively tax-efficient distributions of dividend income, interest income and capital gains, and to provide the potential for modest capital growth.

The Fund invests primarily in higher-yielding Canadian fixed-income securities such as corporate bonds, debentures, notes and preferred shares, and higher-yielding Canadian common shares, real estate investment trusts, income trusts and other similar securities.

Corporate bonds in the portfolio must have a minimum rating of BBB from Dominion Bond Rating Service or its equivalent. The Fund may also invest in comparable foreign securities.

The Fund's target weightings for each asset class are 50% for fixed income and 50% for equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was \$94 million as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 1.0%. The Fund's return is after the deduction of 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.

The Fund made monthly distributions of 57.50 cents per Series O unit in the first half of 2018.

The Canadian stock market posted modest gains in the first half of 2018, led by strength in the Energy and Information Technology sectors. However, domestic economic growth slowed and concern about trade protectionism intensified as the period progressed, leading the Bank of Canada (the "BOC") to take a more cautious approach toward raising interest rates. The combination of rising borrowing costs, a weaker housing market and uncertainty about the future of the North American Free Trade Agreement conspired to dampen Canadian economic growth. Late in the period, President Trump imposed tariffs on Canadian steel and aluminum. Against this backdrop, equities struggled to make the kind of headway that came so easily last year.

Canadian fixed-income securities recorded modest total returns during the period, with corporate bonds slightly outperforming government and provincial bonds. Bonds recovered from significant declines early in the period, when strengthening economic growth and concern about faster inflation prompted the BOC and the U.S. Federal Reserve to boost short-term interest rates. However, the potential for a global trade war as well as political developments in Europe led to worries about economic growth, pulling down bond yields and lifting prices.

In the equity portion of the Fund, security selection added to relative performance. The Fund's overweight position in Suncor contributed to returns, amid higher oil prices. The absence of Royal Bank of Canada from the portfolio had a positive impact on relative returns. The Fund's mandate does not permit the Fund to hold the stock. Conversely, performance was hurt by an underweight position in the Canadian Information Technology sector. The Fund did not hold top performer Constellation Software, which has grown through acquisitions.

In the fixed-income portion of the Fund, returns across all industry sectors were fairly uniform except for in the underperforming Financials sector. The Industrials sector performed best. The Fund's returns were limited by investors' searching for higher-quality assets later in the period, which meant less demand for corporate bonds.

Recent Developments

Equities fluctuated significantly during the first half of the year as rapid corporate-profit growth was offset by contracting price-to-earnings ratios. Expanding valuations have been a significant source of gains for stocks during this long bull market, but sustained earnings growth will be critical to drive stocks higher from here. The earnings outlook in Canada has been upgraded to reflect higher crude-oil prices, underpinning Energy-sector earnings. The global economic backdrop supports continued momentum in commodity prices as the global economy appears to be entering the later part of the cycle. The positive trend in earnings is expected to persist, and the portfolio manager's research suggests a reasonable outcome is for stocks to deliver positive returns this year and next.

The portfolio manager plans to put off adding significantly to the Fund's higher-risk fixed-income assets until geopolitical and trade tensions subside somewhat.



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 \$1,000 (2017 – \$1,000) or 100% (2017 – 25%) 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	Total	
Series F												
June 30, 2018	197.95	3.63	(0.58)	1.28	(3.23)	1.10	(1.28)	(1.59)	—	—	(2.87)	196.37
Dec. 31, 2017	193.26	6.97	(1.18)	3.48	1.01	10.28	(2.50)	(3.12)	—	—	(5.62)	197.95
Dec. 31, 2016	174.56	7.11	(1.10)	0.15	18.49	24.65	(2.97)	(3.28)	—	—	(6.25)	193.26
Dec. 31, 2015	188.89	7.62	(1.12)	15.14	(27.47)	(5.83)	(2.92)	(3.42)	—	—	(6.34)	174.56
Dec. 31, 2014	179.30	6.73	(1.13)	5.97	4.04	15.61	(2.91)	(2.90)	—	—	(5.81)	188.89
Dec. 31, 2013	170.21	6.50	(1.04)	2.41	6.40	14.27	(2.91)	(2.83)	—	—	(5.74)	179.09
Series O												
June 30, 2018	197.22	3.62	(0.05)	1.28	(3.01)	1.84	(1.54)	(1.91)	—	—	(3.45)	195.58
Dec. 31, 2017	192.64	6.95	(0.11)	3.47	1.19	11.50	(3.01)	(3.75)	—	—	(6.76)	197.22
Dec. 31, 2016	173.99	7.09	(0.11)	0.15	18.54	25.67	(3.43)	(3.78)	—	—	(7.21)	192.64
Dec. 31, 2015	188.24	7.35	(0.11)	14.62	(26.52)	(4.66)	(3.35)	(3.94)	—	—	(7.29)	173.99
Dec. 31, 2014	178.97	6.68	(0.11)	5.92	4.01	16.50	(3.56)	(3.56)	—	—	(7.12)	188.24
Dec. 31, 2013	169.74	6.49	(0.10)	2.40	6.39	15.18	(3.29)	(3.21)	—	—	(6.50)	178.76

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	196.37	26 720	136	0.60	0.60	11.43	—
Dec. 31, 2017	197.95	28 158	142	0.60	0.60	10.11	0.01
Dec. 31, 2016	193.26	28 400	147	0.60	0.60	6.26	0.02
Dec. 31, 2015	174.56	28 483	163	0.60	0.60	9.58	0.04
Dec. 31, 2014	188.89	40 362	214	0.60	0.60	16.06	0.03
Dec. 31, 2013	179.30	44 772	250	0.60	0.60	17.28	0.01
Series O							
June 30, 2018	195.58	67 071	343	0.05	0.05	11.43	—
Dec. 31, 2017	197.22	64 758	328	0.06	0.06	10.11	0.01
Dec. 31, 2016	192.64	61 651	320	0.06	0.06	6.26	0.02
Dec. 31, 2015	173.99	61 989	356	0.06	0.06	9.58	0.04
Dec. 31, 2014	188.24	103 951	552	0.06	0.06	16.06	0.03
Dec. 31, 2013	178.97	160 056	894	0.06	0.06	17.28	0.01

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund.

The management fee with respect to Series F units is 0.50% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

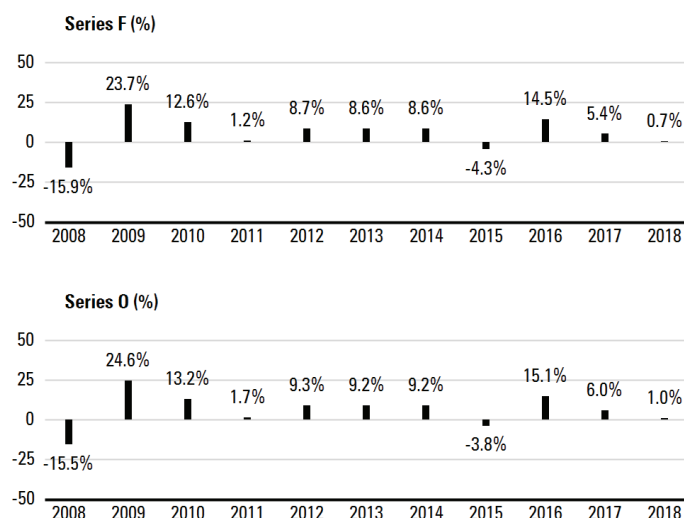


PAST PERFORMANCE

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, or 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.



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
Bonds	41.2
Financials	17.5
Energy	14.3
Industrials	5.0
Materials	4.1
Utilities	3.3
Telecommunication Services	3.0
Consumer Discretionary	2.1
Real Estate	1.8
Consumer Staples	0.9
Health Care	0.4
Cash/Other	6.4

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	5.8
Toronto-Dominion Bank	3.9
Canadian National Railway Co.	3.1
Bank of Nova Scotia	2.8
Bank of Montreal	2.6
Nutrien Ltd.	2.6
Canadian Imperial Bank of Commerce	2.3
Manulife Financial Corporation	2.3
Enbridge Inc.	2.3
Canadian Natural Resources Ltd.	2.2
Suncor Energy Inc.	2.2
Sun Life Financial Inc.	1.8
TransCanada Corp.	1.7
Greater Toronto Airports Authority 6.980% Oct 15 2032	1.6
407 International Inc. 5.750% Feb 14 2036	1.6
Bell Canada 6.100% Mar 16 2035	1.6
Rogers Communications Inc. 6.110% Aug 25 2040	1.6
Loblaw Companies Ltd. 6.450% Feb 9 2028	1.5
TransCanada PipeLines Ltd. 5.650% Jun 20 2029	1.5
Rogers Communications Inc. 5.340% Mar 22 2021	1.4
Pembina Pipeline Corp. 4.890% Mar 29 2021	1.4
Inter Pipeline Ltd. 4.967% Feb 2 2021	1.4
Genworth MI Canada Inc. 5.680% Jun 15 2020	1.3
First Capital Realty Inc. 4.430% Jan 31 2022	1.3
Sun Life Financial Inc. 5.700% Jul 2 2019	1.3
Top 25 Holdings	53.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.



CANADIAN EQUITY

**RBC PRIVATE CANADIAN
DIVIDEND POOL**

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.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to achieve long-term returns consisting of regular dividend income, which benefits from the preferential tax treatment given to dividends from Canadian companies, and modest long-term capital growth.

The Fund invests primarily in common shares with above-average dividend yields and also invests in preferred shares of major Canadian companies. The Fund selects companies with long-term prospects of growing their dividends and tends to focus on interest-sensitive securities to achieve dividend income, primarily investing in the Financial Services, Telecommunications and Utilities sectors.

Results of Operations

The Fund's net asset value was \$2.6 billion as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 0.6%. The Fund's return is after the deduction of 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.

The Canadian stock market posted modest gains in the first half of 2018, led by strength in the Energy and Information Technology sectors. However, domestic economic growth slowed and concern about trade protectionism intensified as the period progressed, leading the Bank of Canada to take a more cautious approach toward raising interest rates. The combination of rising borrowing costs, a weaker housing market and uncertainty about the future of the North American Free Trade Agreement conspired to dampen Canadian economic growth. Late in the period, President Trump imposed tariffs on Canadian steel and aluminum. Against this backdrop, equities have struggled to make the kind of headway that came so easily last year.

In the first half of 2018, the Fund benefited from an underweight position in BCE. Interest-rate-sensitive sectors such as Telecommunication Services and Utilities have underperformed this year amid higher bond yields. Conversely, the Fund was negatively impacted by an underweight position in the Canadian Information Technology sector. The Fund did not own top performer Constellation Software, which has grown through acquisitions.

Canadian energy producers continue to deal with price discounts on domestic production due to a lack of distribution pathways for both crude oil and natural gas. The Fund's relative exposure to the Energy sector was a positive through holdings such as Imperial Oil and Husky Energy. However, an overweight allocation to PrairieSky Royalty held back returns as first-quarter results came in below consensus.

Recent Developments

Equities fluctuated significantly during the first half of the year as rapid corporate-profit growth was offset by contracting price-to-earnings ratios. Expanding valuations have been a significant source of gains for stocks during this long bull market, but sustained earnings growth will be critical to drive stocks higher from here. Earnings have indeed been growing rapidly, helped in part by the U.S. tax cuts. The positive trend in earnings is expected to persist, and the portfolio manager's research suggests a reasonable outcome is for stocks to deliver positive returns this year and next. The portfolio manager acknowledges, however, that any deterioration in the outlook for earnings would leave markets vulnerable to correction given currently demanding valuations.

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.

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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 \$87,000 (2017 – \$62,000) or 22% (2017 – 14%) 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 F												
June 30, 2018	47.10	0.76	(0.16)	1.52	(1.96)	0.16	—	(0.65)	—	—	(0.65)	46.54
Dec. 31, 2017	44.06	1.38	(0.32)	2.04	1.06	4.16	(0.01)	(1.06)	—	—	(1.07)	47.10
Dec. 31, 2016	37.28	1.33	(0.28)	0.47	6.52	8.04	(0.08)	(0.95)	—	—	(1.03)	44.06
Dec. 31, 2015	40.35	1.29	(0.28)	(0.08)	(3.31)	(2.38)	(0.03)	(0.85)	—	—	(0.88)	37.28
Dec. 31, 2014	36.62	1.14	(0.28)	0.67	3.08	4.61	(0.05)	(0.81)	—	—	(0.86)	40.35
Dec. 31, 2013	32.14	1.07	(0.24)	0.55	4.02	5.40	(0.02)	(0.81)	—	—	(0.83)	36.61
Series O												
June 30, 2018	47.69	0.76	(0.02)	1.54	(1.94)	0.34	—	(0.81)	—	—	(0.81)	47.13
Dec. 31, 2017	44.61	1.40	(0.03)	2.06	0.96	4.39	(0.01)	(1.37)	—	—	(1.38)	47.69
Dec. 31, 2016	37.75	1.34	(0.03)	0.48	6.46	8.25	(0.09)	(1.21)	—	—	(1.30)	44.61
Dec. 31, 2015	40.86	1.29	(0.03)	(0.08)	(3.32)	(2.14)	(0.04)	(1.10)	—	—	(1.14)	37.75
Dec. 31, 2014	37.05	1.15	(0.03)	0.68	3.10	4.90	(0.06)	(1.04)	—	—	(1.10)	40.86
Dec. 31, 2013	32.52	1.08	(0.02)	0.56	4.07	5.69	(0.03)	(1.03)	—	—	(1.06)	37.04

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	46.54	62 930	1 352	0.70	0.70	19.77	0.03
Dec. 31, 2017	47.10	60 036	1 275	0.70	0.70	20.86	0.03
Dec. 31, 2016	44.06	54 281	1 232	0.70	0.70	15.29	0.03
Dec. 31, 2015	37.28	37 126	996	0.71	0.71	11.01	0.05
Dec. 31, 2014	40.35	38 814	962	0.71	0.71	10.98	0.03
Dec. 31, 2013	36.62	40 430	1 104	0.72	0.72	13.49	0.03
Series O							
June 30, 2018	47.13	2 516 340	53 394	0.07	0.07	19.77	0.03
Dec. 31, 2017	47.69	2 744 014	57 537	0.07	0.07	20.86	0.03
Dec. 31, 2016	44.61	2 697 350	60 465	0.07	0.07	15.29	0.03
Dec. 31, 2015	37.75	2 013 283	53 338	0.07	0.07	11.01	0.05
Dec. 31, 2014	40.86	1 541 245	37 720	0.07	0.07	10.98	0.03
Dec. 31, 2013	37.05	1 115 421	30 105	0.07	0.07	13.49	0.03

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund. The management fee with respect to Series F units is 0.55% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

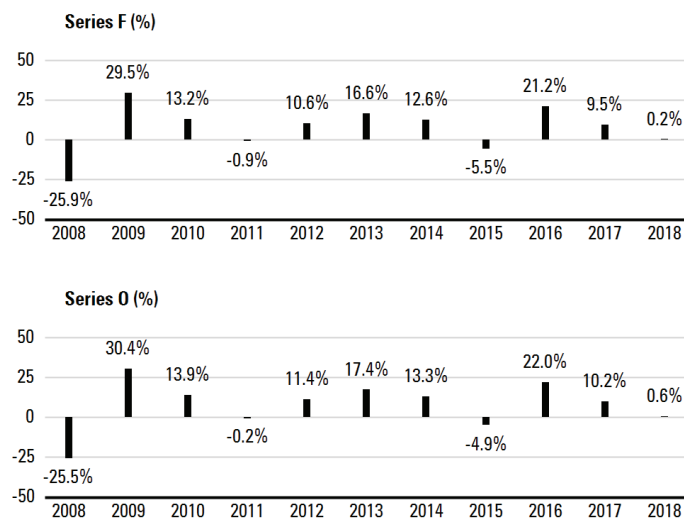


PAST PERFORMANCE

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, or 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.



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
Financials	43.6
Energy	20.2
Industrials	9.8
Utilities	5.3
Consumer Staples	4.4
Telecommunication Services	3.7
Materials	3.6
Consumer Discretionary	2.9
Real Estate	2.9
Health Care	0.2
Cash/Other	3.4

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	7.7
Toronto-Dominion Bank	7.5
Bank of Nova Scotia	6.2
Canadian National Railway Co.	4.7
Enbridge Inc.	4.6
Brookfield Asset Management Inc., Class A	4.1
Bank of Montreal	3.6
Suncor Energy Inc.	3.4
TransCanada Corp.	3.0
Manulife Financial Corporation	2.8
Cash & Cash Equivalents	2.6
Canadian Imperial Bank of Commerce	2.6
Canadian Natural Resources Ltd.	2.5
Canadian Pacific Railway Ltd.	2.2
Loblaw Companies Ltd.	2.0
Sun Life Financial Inc.	1.6
Nutrien Ltd.	1.5
Rogers Communications Inc., Class B	1.5
Imperial Oil Ltd.	1.4
Thomson Corp.	1.4
Fairfax Financial Holdings Ltd.	1.4
Fortis Inc.	1.4
Power Corporation of Canada	1.3
Pembina Pipeline Corp.	1.2
PrairieSky Royalty Ltd.	1.2
Top 25 Holdings	73.4

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.



CANADIAN EQUITY

**RBC PRIVATE CANADIAN GROWTH
AND INCOME EQUITY POOL**

June 30, 2018

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

Sub-Advisor: Greystone Managed Investments Inc., Regina, Saskatchewan

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 a competitive current income stream relative to that generally available in the broad Canadian equity market, and the potential for long-term capital growth through capital appreciation.

The Fund invests in dividend-paying Canadian companies with above-average financial strength and predictable and growing levels of profitability. The Fund will have representation in at least five of the 10 S&P/TSX industry sectors.

Results of Operations

The Fund's net asset value was \$86 million as of June 30, 2018.

Over the past six months, the Fund's Series O units lost 0.5%. The Fund's return is after the deduction of 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.

After the low equity-market volatility of 2017, stocks gyrated in 2018 as investors grappled with higher interest rates and international trade tensions. However, corporate profits remained robust. In Canada, the S&P/TSX Composite Index managed to claw its way back to levels similar to where it started the year.

The portfolio's relative returns were held back in the first half of 2018 by stock selection and sector allocation. Holdings in the Real Estate and Consumer Discretionary sectors dampened returns the most. From a sector-allocation perspective, no exposure to the top-performing Information Technology sector also had a negative impact. On a positive note, holdings in the Industrials sector benefited performance.

Altus Group, a real estate service provider, was among the Fund's holdings that had a negative effect. The company's first-quarter results were hurt by higher-than-expected capital expenditures for software used by the commercial real estate industry. The sub-advisor is confident about the company's outlook as it wins clients and expands its geographical focus, particularly in Asia. WSP Global was one of the stronger performers in the portfolio. The engineering-and environmental-consulting company benefited from growth across its operations.

Notable transactions during the reporting period include selling the Fund's position in AltaGas and adding pipeline company TransCanada, as well as selling Chemtrade Logistics and replacing it with Nutrien (formed by the merger of Agrium and Potash Corp.). As of June 30, 2018, the portfolio had significant overweight exposure to the Industrials and Financials sectors and underweight allocations to the Materials and Information Technology sectors.

Recent Developments

The sub-advisor remains comfortable with the portfolio's balance between equities offering more potential for appreciation and those offering attractive income, as interest rates could continue to move higher. The portfolio has exposure to companies that are less interest-rate sensitive and, in some cases, able to raise prices in the event that inflation picks up over the next year. In the view of the sub-advisor, Canadian equities will benefit when U.S.-Canadian trade tensions ease. In the current environment, however, corporations are less willing to make the capital expenditures required to help underpin continued economic growth.

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 \$5,000 (2017 – \$7,000) or 23% (2017 – 26%) 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	Total	
Series F												
June 30, 2018	22.37	0.42	(0.10)	(0.29)	(0.26)	(0.23)	—	(0.35)	—	—	(0.35)	21.80
Dec. 31, 2017	21.19	0.77	(0.20)	1.29	(0.09)	1.77	(0.01)	(0.59)	—	—	(0.60)	22.37
Dec. 31, 2016	19.16	0.72	(0.18)	0.21	1.88	2.63	(0.01)	(0.63)	—	—	(0.64)	21.19
Dec. 31, 2015	21.66	0.79	(0.19)	0.24	(2.64)	(1.80)	(0.02)	(0.58)	—	—	(0.60)	19.16
Dec. 31, 2014	20.76	0.80	(0.20)	1.25	(0.34)	1.51	(0.02)	(0.63)	—	—	(0.65)	21.66
Dec. 31, 2013	18.62	0.72	(0.17)	0.38	1.71	2.64	(0.02)	(0.50)	—	—	(0.52)	20.76
Series O												
June 30, 2018	22.37	0.42	(0.01)	(0.29)	(0.30)	(0.18)	—	(0.44)	—	—	(0.44)	21.80
Dec. 31, 2017	21.20	0.76	(0.02)	1.29	(0.11)	1.92	(0.01)	(0.77)	—	—	(0.78)	22.37
Dec. 31, 2016	19.17	0.70	(0.02)	0.20	1.86	2.74	(0.02)	(0.80)	—	—	(0.82)	21.20
Dec. 31, 2015	21.67	0.79	(0.02)	0.24	(2.64)	(1.63)	(0.03)	(0.74)	—	—	(0.77)	19.17
Dec. 31, 2014	20.75	0.80	(0.02)	1.25	(0.34)	1.69	(0.02)	(0.79)	—	—	(0.81)	21.67
Dec. 31, 2013	18.60	0.72	(0.02)	0.38	1.71	2.79	(0.03)	(0.64)	—	—	(0.67)	20.75

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	21.80	3 427	157	0.91	0.91	21.17	0.05
Dec. 31, 2017	22.37	3 583	160	0.91	0.91	16.43	0.04
Dec. 31, 2016	21.19	3 596	170	0.91	0.91	39.18	0.11
Dec. 31, 2015	19.16	3 781	197	0.91	0.91	30.87	0.06
Dec. 31, 2014	21.66	5 630	260	0.91	0.91	39.49	0.06
Dec. 31, 2013	20.76	6 454	311	0.91	0.91	50.27	0.10
Series O							
June 30, 2018	21.80	82 170	3 769	0.10	0.10	21.17	0.05
Dec. 31, 2017	22.37	89 816	4 015	0.10	0.10	16.43	0.04
Dec. 31, 2016	21.20	118 268	5 580	0.10	0.10	39.18	0.11
Dec. 31, 2015	19.17	205 546	10 720	0.10	0.10	30.87	0.06
Dec. 31, 2014	21.67	256 199	11 821	0.10	0.10	39.49	0.06
Dec. 31, 2013	20.75	228 185	10 994	0.10	0.10	50.27	0.10

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund. The management fee with respect to Series F units is 0.75% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

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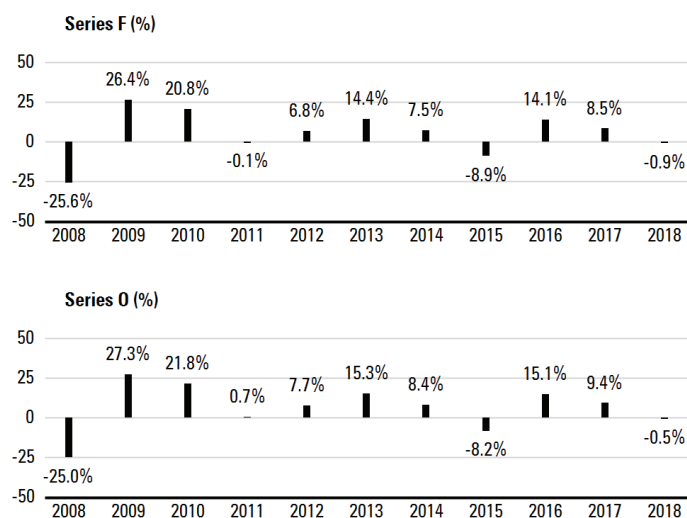


PAST PERFORMANCE

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Year-by-Year Returns (%)

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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
Financials	33.1
Energy	20.7
Industrials	13.9
Real Estate	8.1
Telecommunication Services	7.7
Utilities	7.7
Consumer Discretionary	3.9
Materials	3.9
Cash/Other	1.0

Top 25 Holdings

	% of Net Asset Value
Canadian Natural Resources Ltd.	4.3
Suncor Energy Inc.	4.3
Waste Connections Inc.	4.1
Allied Properties Real Estate Investment Trust	4.1
Enbridge Inc.	4.1
Toronto-Dominion Bank	4.0
National Bank of Canada	4.0
Bank of Montreal	4.0
TransCanada Corp.	4.0
Canadian National Railway Co.	4.0
Pembina Pipeline Corp.	4.0
TELUS Corp.	4.0
Manulife Financial Corporation	3.9
Royal Bank of Canada	3.9
Shaw Communications Inc., Class B	3.9
Sun Life Financial Inc.	3.9
Intact Financial Corp.	3.7
Fortis Inc.	3.7
BCE Inc.	3.7
Bank of Nova Scotia	3.7
Emera Inc.	2.1
Brookfield Asset Management Inc., Class A	2.1
SmartCentres Real Estate Investment Trust	2.0
Nutrien Ltd.	2.0
Morneau Shepell Inc.	2.0
Top 25 Holdings	89.5

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.



CANADIAN EQUITY

RBC PRIVATE CANADIAN EQUITY POOL

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.

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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 long-term total returns primarily consisting of capital appreciation by investing in equity securities of major Canadian companies.

The Fund invests primarily in large-cap Canadian companies and may take advantage of opportunities in mid-cap companies. The Fund diversifies across S&P/TSX industry sectors, within minimum and maximum exposures. The Fund may use derivatives for hedging purposes and as a substitute for direct investment.

Results of Operations

The Fund's net asset value was \$4.8 billion as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 1.7%. The Fund's return is after the deduction of 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.

The Canadian stock market posted modest gains in the first half of 2018, led by strength in the Energy and Information Technology sectors. However, domestic economic growth slowed and concern about trade protectionism intensified as the period progressed, leading the Bank of Canada to take a more cautious approach toward raising interest rates. The combination of rising borrowing costs, a weaker housing market and uncertainty about the future of the North American Free Trade Agreement conspired to dampen Canadian economic growth. Late in the period, President Trump imposed tariffs on Canadian steel and aluminum. Against this backdrop, equities have struggled to make the kind of headway that came so easily last year.

Security selection had a negative impact on relative returns during the first half of 2018. Performance was hurt by an underweight position in the Canadian Information Technology sector. Specifically, the Fund did not own top performer Constellation Software, which has grown through acquisitions. The Fund also did not own Shopify, an e-commerce platform that performed well. Positively for the Fund, positions in DREAM Unlimited and Aritzia aided relative returns. The Fund also benefited from an overweight position in Canadian Natural Resources, whose stock rises with oil prices.

Recent Developments

Equities fluctuated significantly during the first half of the year as rapid corporate-profit growth was offset by contracting price-to-earnings ratios. Expanding valuations have been a significant source of gains for stocks during this long bull market, but sustained earnings growth will be critical to drive stocks higher from here. The earnings outlook in Canada has been upgraded to reflect higher crude-oil prices, underpinning Energy sector earnings. The global economic backdrop supports continued momentum in commodity prices as the global economy appears to be entering the later part of the cycle. The positive trend in earnings is expected to persist, and the portfolio manager's research suggests a reasonable outcome is for stocks to deliver positive returns this year and next.

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 \$158,000 (2017 – \$153,000) or 15% (2017 – 12%) 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	Total	
Series F												
June 30, 2018	26.06	0.39	(0.09)	0.31	(0.15)	0.46	—	(0.30)	—	—	(0.30)	26.12
Dec. 31, 2017	24.59	0.69	(0.17)	0.52	1.03	2.07	(0.01)	(0.49)	(0.03)	—	(0.53)	26.06
Dec. 31, 2016	20.68	0.69	(0.16)	(0.32)	4.24	4.45	(0.05)	(0.48)	—	—	(0.53)	24.59
Dec. 31, 2015	23.29	0.74	(0.16)	(0.01)	(2.68)	(2.11)	(0.02)	(0.47)	(0.12)	—	(0.61)	20.68
Dec. 31, 2014	21.69	1.21	(0.17)	1.56	(3.85)	(1.25)	(0.06)	(0.36)	(0.50)	—	(0.92)	23.29
Dec. 31, 2013	19.48	0.59	(0.15)	1.07	1.50	3.01	—	(0.45)	(0.32)	—	(0.77)	21.68
Series O												
June 30, 2018	26.18	0.39	(0.01)	0.31	(0.14)	0.55	—	(0.38)	—	—	(0.38)	26.24
Dec. 31, 2017	24.71	0.69	(0.02)	0.52	1.01	2.20	(0.01)	(0.66)	(0.03)	—	(0.70)	26.18
Dec. 31, 2016	20.78	0.69	(0.01)	(0.32)	4.30	4.66	(0.06)	(0.62)	—	—	(0.68)	24.71
Dec. 31, 2015	23.41	0.73	(0.02)	(0.01)	(2.66)	(1.96)	(0.02)	(0.62)	(0.12)	—	(0.76)	20.78
Dec. 31, 2014	21.71	0.69	(0.02)	0.88	(2.18)	(0.63)	(0.06)	(0.42)	(0.50)	—	(0.98)	23.41
Dec. 31, 2013	19.49	0.59	(0.01)	1.07	1.51	3.16	—	(0.58)	(0.32)	—	(0.90)	21.70

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	26.12	22 635	867	0.70	0.70	17.30	0.06
Dec. 31, 2017	26.06	20 547	789	0.70	0.70	23.97	0.06
Dec. 31, 2016	24.59	17 156	698	0.70	0.70	36.35	0.09
Dec. 31, 2015	20.68	14 710	711	0.71	0.71	43.95	0.14
Dec. 31, 2014	23.29	15 774	677	0.71	0.71	51.04	0.16
Dec. 31, 2013	21.69	16 297	751	0.72	0.72	54.79	0.11
Series O							
June 30, 2018	26.24	4 778 965	182 130	0.07	0.07	17.30	0.06
Dec. 31, 2017	26.18	4 316 989	164 913	0.07	0.07	23.97	0.06
Dec. 31, 2016	24.71	3 763 296	152 293	0.07	0.07	36.35	0.09
Dec. 31, 2015	20.78	3 134 604	150 813	0.07	0.07	43.95	0.14
Dec. 31, 2014	23.41	2 431 677	103 860	0.07	0.07	51.04	0.16
Dec. 31, 2013	21.71	302 819	13 950	0.07	0.07	54.79	0.11

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund. The management fee with respect to Series F units is 0.55% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

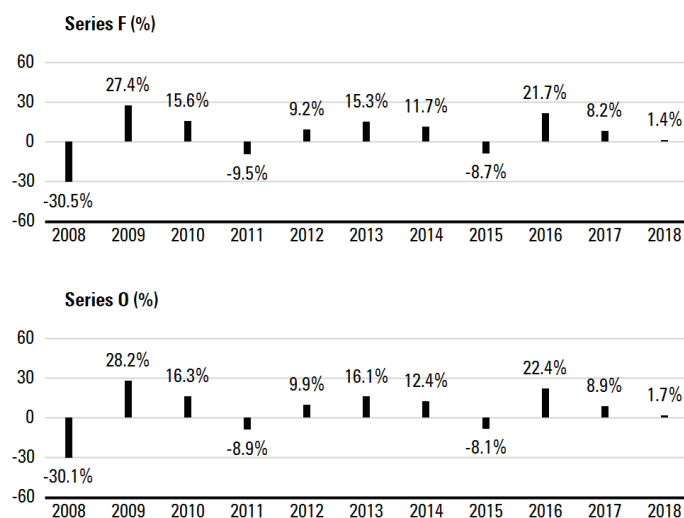


PAST PERFORMANCE

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, or 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.



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
Financials	30.5
Energy	22.0
Industrials	9.0
Materials	8.1
Utilities	5.5
Consumer Staples	4.7
Consumer Discretionary	4.3
Real Estate	4.2
Telecommunication Services	3.3
Underlying Funds	2.9
Information Technology	2.2
Health Care	0.4
Cash/Other	2.9

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	5.7
Toronto-Dominion Bank	4.7
Bank of Nova Scotia	4.6
Enbridge Inc.	4.1
Suncor Energy Inc.	3.9
Canadian Natural Resources Ltd.	3.3
Canadian National Railway Co.	2.9
TransCanada Corp.	2.7
Manulife Financial Corporation	2.7
Nutrien Ltd.	2.7
Cash & Cash Equivalents	2.6
Brookfield Asset Management Inc., Class A	2.4
RBC Canadian Small & Mid-Cap Resources Fund	2.4
Bank of Montreal	2.2
Sun Life Financial Inc.	2.0
BCE Inc.	1.7
Alimentation Couche-Tard Inc.	1.7
Canadian Pacific Railway Ltd.	1.7
Pembina Pipeline Corp.	1.6
SNC-Lavalin Group Inc.	1.6
Canadian Imperial Bank of Commerce	1.6
Thomson Corp.	1.3
Teck Resources Ltd., Class B	1.1
PrairieSky Royalty Ltd.	1.0
Keyera Corp.	1.0
Top 25 Holdings	63.2

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

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



CANADIAN EQUITY

**RBC PRIVATE CANADIAN
GROWTH EQUITY POOL**

June 30, 2018

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

Sub-Advisor: Guardian Capital LP, Toronto, Ontario

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 growth primarily through capital appreciation by investing in common stock and equivalent securities of Canadian corporations.

To achieve its objective, the Fund uses a qualitative approach to invest in larger capitalization, well-recognized and soundly managed Canadian companies. It invests in companies that have attractive earnings growth, value, quality and risk characteristics. The Fund diversifies its assets across the S&P/TSX industry sectors, with minimum and maximum exposures.

Results of Operations

The Fund's net asset value was \$190 million as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 3.0%. The Fund's return is after the deduction of 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.

The Fund's performance was driven by positive stock selection. Among the biggest contributors to performance were CGI Group, CCL Industries, Waste Connections and West Fraser Timber, all of which reported solid quarterly results; Mitel Networks, which received a takeover offer; and Methanex, which benefited from higher methanol prices. Returns were also aided by a lack of exposure to the Telecommunication Services, Utilities and Real Estate sectors, whose relatively high dividend yields were less attractive during a period in which bond yields were rising.

On the negative side was stock selection in the Energy sector. CES Energy Services, Trican Well Service and Seven Generations held back returns, as did a lack of exposure to Suncor Energy and Enbridge for portions of the period. Enerplus had a significantly positive impact on relative returns.

Other stocks that had a negative impact on relative performance were Alimentation Couche-Tard and IGM Financial. During the period, the Fund added three holdings and sold four. The additions were Constellation Software, Jamieson Wellness and Suncor Energy. The deletions were BRP, Enbridge, Seven Generations Energy and Torex Gold.

Recent Developments

The sub-advisor remains confident about prospects for the stock market in 2018 but is cognizant of the risk posed by rising interest rates. While the global economic expansion should continue to drive earnings, the sub-advisor believes that rising rates may limit the potential for valuations to increase. In this environment, the sub-advisor expects stocks with relatively fast earnings growth to outperform interest-rate-sensitive and high-dividend-yielding stocks. The sub-advisor also remains cautious regarding the possibility that the U.S. will push ahead with trade barriers and the uncertainty caused by the renegotiation of the North American Free Trade Agreement.

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

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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 \$6,000 (2017 – \$13,000) or 10% (2017 – 12%) 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	Total	
Series F												
June 30, 2018	222.44	2.29	(1.01)	2.11	2.24	5.63	—	(1.40)	—	—	(1.40)	226.58
Dec. 31, 2017	214.81	4.50	(1.99)	(2.42)	9.68	9.77	(0.02)	(2.41)	—	—	(2.43)	222.44
Dec. 31, 2016	182.83	4.02	(1.81)	9.59	23.40	35.20	—	(2.12)	(1.33)	—	(3.45)	214.81
Dec. 31, 2015	213.33	4.17	(1.97)	9.65	(28.36)	(16.51)	—	(2.01)	(11.75)	—	(13.76)	182.83
Dec. 31, 2014	197.77	3.67	(1.98)	12.19	2.87	16.75	—	(1.70)	—	—	(1.70)	213.33
Dec. 31, 2013	167.55	3.30	(1.70)	14.87	15.59	32.06	—	(1.79)	—	—	(1.79)	197.69
Series O												
June 30, 2018	223.86	2.30	(0.06)	2.12	1.95	6.31	—	(2.37)	—	—	(2.37)	228.04
Dec. 31, 2017	216.24	4.53	(0.12)	(2.44)	9.79	11.76	(0.04)	(4.35)	—	—	(4.39)	223.86
Dec. 31, 2016	184.12	4.05	(0.11)	9.66	24.92	38.52	—	(3.97)	(1.33)	—	(5.30)	216.24
Dec. 31, 2015	215.22	4.21	(0.12)	9.74	(28.63)	(14.80)	—	(3.93)	(12.12)	—	(16.05)	184.12
Dec. 31, 2014	199.48	3.70	(0.12)	12.28	2.89	18.75	—	(3.56)	—	—	(3.56)	215.22
Dec. 31, 2013	168.99	3.34	(0.10)	15.02	15.75	34.01	—	(3.40)	—	—	(3.40)	199.40

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	226.58	5 632	25	0.93	0.93	15.78	0.06
Dec. 31, 2017	222.44	5 470	25	0.93	0.93	18.80	0.08
Dec. 31, 2016	214.81	5 738	27	0.93	0.93	57.21	0.15
Dec. 31, 2015	182.83	5 611	31	0.93	0.93	38.37	0.14
Dec. 31, 2014	213.33	7 007	33	0.93	0.93	33.67	0.09
Dec. 31, 2013	197.77	7 536	38	0.94	0.94	84.54	0.22
Series O							
June 30, 2018	228.04	184 581	809	0.06	0.06	15.78	0.06
Dec. 31, 2017	223.86	195 520	873	0.05	0.05	18.80	0.08
Dec. 31, 2016	216.24	212 730	984	0.06	0.06	57.21	0.15
Dec. 31, 2015	184.12	173 438	942	0.06	0.06	38.37	0.14
Dec. 31, 2014	215.22	212 613	988	0.06	0.06	33.67	0.09
Dec. 31, 2013	199.48	180 460	905	0.06	0.06	84.54	0.22

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund. The management fee with respect to Series F units is 0.75% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

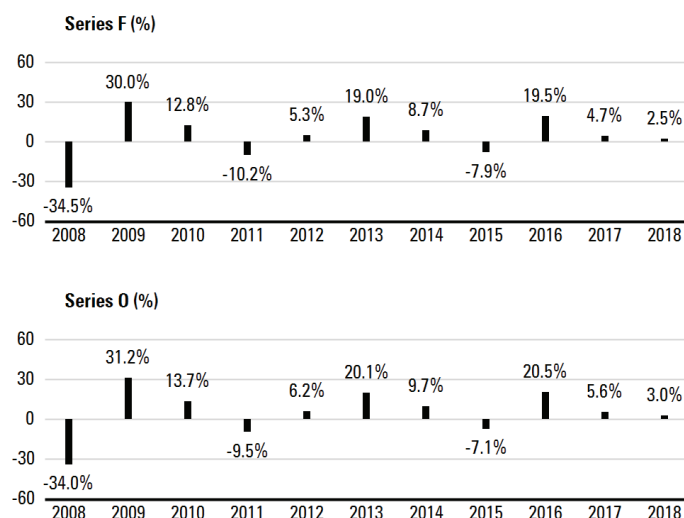


PAST PERFORMANCE

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, or 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.



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
Financials	28.4
Energy	19.0
Materials	14.1
Industrials	13.0
Information Technology	11.4
Consumer Discretionary	4.9
Consumer Staples	3.4
Cash/Other	5.8

Top 25 Holdings

	% of Net Asset Value
Toronto-Dominion Bank	6.5
Bank of Montreal	6.3
Bank of Nova Scotia	5.7
Cash & Cash Equivalents	5.7
Canadian Natural Resources Ltd.	4.8
Canadian Pacific Railway Ltd.	4.5
Manulife Financial Corporation	4.3
CGI Group Inc., Class A	3.9
Encana Corp.	3.6
Open Text Corp.	3.6
SNC-Lavalin Group Inc.	3.5
Waste Connections Inc.	3.5
Goldcorp Inc.	3.2
CCL Industries, Class B	3.0
Pembina Pipeline Corp.	2.6
Alimentation Couche-Tard Inc.	2.6
West Fraser Timber Co. Ltd.	2.4
Royal Bank of Canada	2.3
Nutrien Ltd.	2.3
Enerplus Corp.	2.1
Methanex Corp.	2.0
Kinaxis Inc.	2.0
Suncor Energy Inc.	1.9
Constellation Software Inc.	1.9
IGM Financial Inc.	1.8
Top 25 Holdings	86.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.



CANADIAN EQUITY

**RBC PRIVATE CANADIAN
MID-CAP EQUITY POOL**

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 pursues long-term total returns consisting primarily of capital appreciation by focusing on equity securities of mid-sized Canadian companies that offer above-average prospects for growth. The Fund may also invest in smaller capitalization companies that have adequate liquidity.

The Fund focuses on companies with a history of high growth in sales and earnings, and with above-average prospects for continued growth. The Fund selects companies with strong management, focused business models and a competitive advantage. The Fund typically invests across major industry sectors within minimum and maximum exposures for each sector.

Results of Operations

The Fund's net asset value was \$244 million as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 6.3%. The Fund's return is after the deduction of 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.

The Canadian mid-capitalization market gained in the first half of 2018, outperforming the rise in large-cap stocks, on strength in the Information Technology, Health Care and Consumer Discretionary sectors. However, domestic economic growth slowed and concern about trade protectionism intensified as the period progressed, leading the Bank of Canada to take a more cautious approach toward raising interest rates. The combination of rising borrowing costs, a weaker housing market and uncertainty about the future of the North American Free Trade Agreement conspired to dampen Canadian growth. Late in the period, President Trump imposed tariffs on Canadian steel and aluminum. Against this backdrop, equities may struggle to make the kind of headway made last year.

Security selection aided the Fund's performance during the period. Overweight positions in Parex Resources, which explores for and produces oil in Colombia, and Kirkland Lake Gold, which has mining projects in Canada and Australia, contributed significantly to relative returns. Parex's exploration is funded from cash flow and the company remains debt free, while Kirkland Lake is having success with exploration.

Negative for the Fund's relative performance was a decision to not hold coat maker Canada Goose Holdings, as the stock rose significantly after its initial public offering.

Recent Developments

Equities fluctuated significantly during the first half of the year as rapid corporate profit growth was offset by contracting price-to-earnings ratios. Expanding valuations have been a significant source of gains for stocks during this long bull market, but sustained earnings growth will be critical to drive stocks higher from here. Earnings have indeed been growing rapidly, helped in part by the U.S. tax cuts. The positive trend in earnings is expected to persist, and the portfolio manager's research suggests a reasonable outcome is for stocks to deliver positive returns this year and next. The portfolio manager acknowledges, however, that any deterioration in the outlook for earnings would leave markets vulnerable to correction given currently demanding valuations.

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 \$20,000 (2017 – \$6,000) or 6% (2017 – 3%) 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 F												
June 30, 2018	26.01	0.28	(0.09)	0.92	0.41	1.52	—	(0.18)	—	—	(0.18)	27.37
Dec. 31, 2017	23.81	0.53	(0.18)	0.76	1.82	2.93	(0.03)	(0.29)	(0.57)	—	(0.89)	26.01
Dec. 31, 2016	19.20	0.44	(0.16)	2.12	2.87	5.27	(0.05)	(0.22)	(0.35)	—	(0.62)	23.81
Dec. 31, 2015	22.50	0.59	(0.15)	(1.01)	(2.21)	(2.78)	(0.09)	(0.35)	—	—	(0.44)	19.20
Dec. 31, 2014	22.50	0.54	(0.18)	2.04	(0.80)	1.60	(0.05)	(0.32)	(1.45)	—	(1.82)	22.50
Dec. 31, 2013	20.39	0.51	(0.15)	0.82	1.51	2.69	(0.02)	(0.33)	(0.22)	—	(0.57)	22.48
Series O												
June 30, 2018	26.28	0.28	(0.01)	0.93	0.52	1.72	—	(0.26)	—	—	(0.26)	27.65
Dec. 31, 2017	24.05	0.53	(0.03)	0.76	1.95	3.21	(0.05)	(0.43)	(0.57)	—	(1.05)	26.28
Dec. 31, 2016	19.40	0.45	(0.03)	2.13	2.83	5.38	(0.07)	(0.34)	(0.35)	—	(0.76)	24.05
Dec. 31, 2015	22.74	0.55	(0.02)	(0.94)	(2.06)	(2.47)	(0.11)	(0.47)	—	—	(0.58)	19.40
Dec. 31, 2014	22.70	0.53	(0.03)	2.02	(0.79)	1.73	(0.06)	(0.44)	(1.45)	—	(1.95)	22.74
Dec. 31, 2013	20.57	0.52	(0.02)	0.83	1.52	2.85	(0.03)	(0.46)	(0.22)	—	(0.71)	22.69

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	27.37	3 042	111	0.70	0.70	68.52	0.28
Dec. 31, 2017	26.01	2 984	115	0.71	0.71	56.30	0.23
Dec. 31, 2016	23.81	2 645	111	0.71	0.71	103.19	0.35
Dec. 31, 2015	19.20	2 777	145	0.71	0.71	92.80	0.28
Dec. 31, 2014	22.50	3 662	163	0.71	0.71	76.52	0.23
Dec. 31, 2013	22.50	6 592	293	0.72	0.72	83.93	0.23
Series O							
June 30, 2018	27.65	240 901	8 711	0.11	0.11	68.52	0.28
Dec. 31, 2017	26.28	204 151	7 768	0.11	0.11	56.30	0.23
Dec. 31, 2016	24.05	151 507	6 300	0.11	0.11	103.19	0.35
Dec. 31, 2015	19.40	114 159	5 885	0.11	0.11	92.80	0.28
Dec. 31, 2014	22.74	291 632	12 826	0.11	0.11	76.52	0.23
Dec. 31, 2013	22.70	215 454	9 490	0.11	0.11	83.93	0.23

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund. The management fee with respect to Series F units is 0.55% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

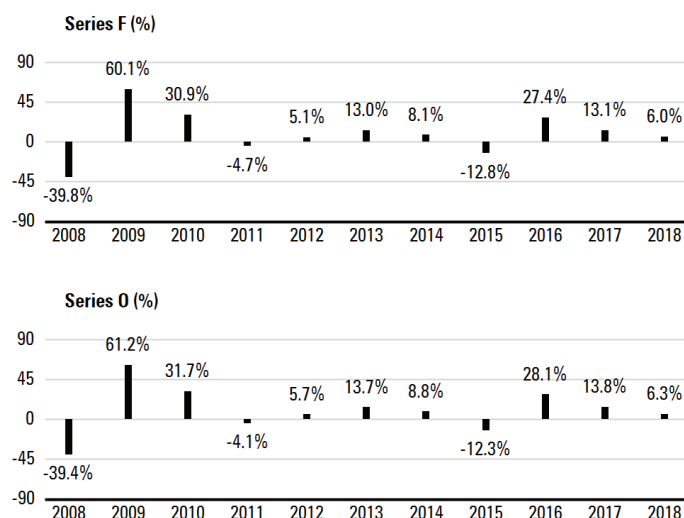


PAST PERFORMANCE

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, or 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.



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
Energy	22.2
Materials	19.1
Industrials	12.0
Real Estate	11.1
Utilities	8.0
Financials	7.7
Consumer Discretionary	5.5
Health Care	4.5
Consumer Staples	4.1
Information Technology	1.8
Cash/Other	4.0

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	3.8
Kirkland Lake Gold Ltd.	2.8
Parex Resources Inc.	2.7
Enerplus Corp.	2.5
Vermilion Energy Inc.	2.3
Methanex Corp.	2.2
Canopy Growth Corp.	2.2
Onex Corporation	2.2
Husky Energy Inc.	2.1
Algonquin Power & Utilities Corp.	1.9
Lundin Mining Corp.	1.8
Atco Ltd., Class I, Non-Voting	1.7
Keyera Corp.	1.7
Endeavour Mining Corp.	1.7
CAE Inc.	1.7
Brookfield Renewable Partners LP	1.6
Air Canada	1.6
H&R Real Estate Investment Trust	1.6
IGM Financial Inc.	1.5
Whitecap Resources Inc.	1.5
Finning International Inc.	1.5
Brookfield Property Partners LP	1.5
Allied Properties Real Estate Investment Trust	1.5
MedReleaf Corp.	1.5
West Fraser Timber Co. Ltd.	1.5
Top 25 Holdings	48.6

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.



U.S. EQUITY

RBC PRIVATE U.S. LARGE-CAP VALUE EQUITY POOL

June 30, 2018

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

Sub-Advisor: Westwood Management Corp., Dallas, Texas

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 total returns primarily through capital appreciation by investing in common stocks and equivalent securities of U.S. corporations trading below their intrinsic value.

The Fund typically invests in U.S. and non-U.S. companies that are constituents of the Russell 1000 or S&P 500 indices. The Fund is diversified across major industry sectors, within minimum and maximum exposures.

Results of Operations

The Fund's net asset value was \$376 million as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 4.6%. The Fund's return is after the deduction of 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.

Equities rose early in 2018 but then retreated amid concern that higher inflation would force the U.S. Federal Reserve (the "Fed") to raise short-term interest rates faster than expected. The Fed raised interest rates twice during the period and took further steps to tighten monetary policy as the economy continued to strengthen. Investors spent much of the period balancing the positive effect of a reduced regulatory burden and tax cuts against the potential for a disruptive trade war with China and other countries. The European Central Bank, one of two other major central banks, signaled that it would also like to begin increasing interest rates sometime in 2019.

Relative performance was aided by strong security selection across the Industrials and Real Estate sectors. Top individual contributors included Motorola Solutions, which benefited from double-digit revenue growth, an expanding backlog and wider profit margins. Shares of Boeing had impressive cash generation, while Dr Pepper Snapple agreed to be acquired at a significant premium by Keurig Green Mountain. Other holdings that aided returns included Booz Allen Hamilton, a defense contractor, and EOG Resources, an oil producer that benefited from strong cash flow and higher production forecasts.

Unfavourable security selection in the Information Technology and Consumer Discretionary sectors held back relative performance. Stocks that had a negative impact on returns included AT&T, which fell in part because of concerns about the company's move into the entertainment business. General Mills remained pressured by cost headwinds, though organic growth has begun to improve. Johnson & Johnson shares declined amid continued challenges at the company's medical-devices business, while Colgate-Palmolive posted weaker results as emerging-market growth slowed. Comcast shares were held back by investor worries that the company would pay too much in a bidding war for Sky PLC.

Recent Developments

The Fed is moving forward with its plan to remove the excessive monetary stimulus in place since the financial crisis, though concerns about the sustainability of global growth and the potential for a serious trade war remain issues for investors. Inflation is being stoked by rising commodity prices and wages, and productivity advances will be needed to head off higher inflation. The sub-advisor continues to focus on identifying high-quality businesses having attractive valuations and, in the view of the sub-advisor, the ability to better weather equity-market declines.

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 \$1,000 (2017 – \$1,000) or 2% (2017 – 1%) 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	Total	
Series F												
June 30, 2018	285.54	2.70	(1.73)	16.16	(5.76)	11.37	—	(1.14)	—	—	(1.14)	295.93
Dec. 31, 2017	261.64	4.92	(3.28)	29.71	3.77	35.12	(0.02)	(1.59)	(6.39)	—	(8.00)	285.54
Dec. 31, 2016	245.73	4.49	(2.87)	25.67	(15.64)	11.65	—	(1.46)	—	—	(1.46)	261.64
Dec. 31, 2015	209.30	4.03	(2.75)	25.30	11.39	37.97	—	(1.24)	—	—	(1.24)	245.73
Dec. 31, 2014	172.64	3.24	(2.22)	17.13	19.43	37.58	—	(1.14)	—	—	(1.14)	209.30
Dec. 31, 2013	126.49	2.69	(1.80)	18.59	27.31	46.79	—	(0.91)	—	—	(0.91)	172.63
Series O												
June 30, 2018	288.88	2.73	(0.14)	16.36	(5.66)	13.29	—	(2.80)	—	—	(2.80)	299.37
Dec. 31, 2017	264.86	4.97	(0.27)	30.01	0.44	35.15	(0.06)	(4.72)	(6.55)	—	(11.33)	288.88
Dec. 31, 2016	248.81	4.56	(0.24)	26.06	(10.83)	19.55	—	(4.23)	—	—	(4.23)	264.86
Dec. 31, 2015	211.98	4.08	(0.23)	25.64	11.55	41.04	—	(3.89)	—	—	(3.89)	248.81
Dec. 31, 2014	174.78	3.28	(0.19)	17.34	19.67	40.10	—	(3.17)	—	—	(3.17)	211.98
Dec. 31, 2013	128.06	2.72	(0.15)	18.80	27.62	48.99	—	(2.53)	—	—	(2.53)	174.77

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	295.93	1 426	5	1.21	1.21	25.63	0.03
Dec. 31, 2017	285.54	1 359	5	1.20	1.20	25.53	0.03
Dec. 31, 2016	261.64	1 017	4	1.19	1.19	36.01	0.03
Dec. 31, 2015	245.73	1 323	5	1.19	1.19	29.26	0.03
Dec. 31, 2014	209.30	1 237	6	1.19	1.19	41.09	0.05
Dec. 31, 2013	172.64	1 500	9	1.19	1.19	64.41	0.06
Series O							
June 30, 2018	299.37	374 338	1 250	0.10	0.10	25.63	0.03
Dec. 31, 2017	288.88	369 250	1 278	0.10	0.10	25.53	0.03
Dec. 31, 2016	264.86	370 299	1 398	0.10	0.10	36.01	0.03
Dec. 31, 2015	248.81	367 833	1 478	0.10	0.10	29.26	0.03
Dec. 31, 2014	211.98	342 337	1 615	0.10	0.10	41.09	0.05
Dec. 31, 2013	174.78	288 136	1 649	0.10	0.10	64.41	0.06

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund. The management fee with respect to Series F units is 1.00% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

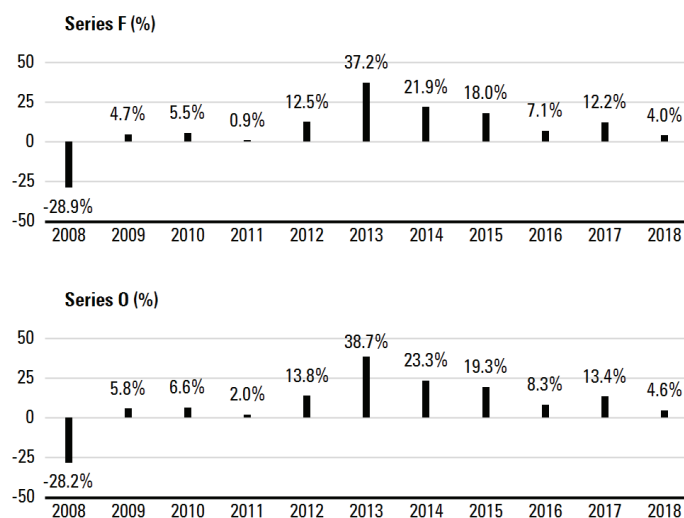


PAST PERFORMANCE

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, or 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.



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
Financials	21.2
Information Technology	14.9
Health Care	12.7
Industrials	10.3
Consumer Staples	10.0
Energy	7.7
Utilities	7.3
Consumer Discretionary	5.1
Real Estate	4.6
Telecommunication Services	3.5
Materials	2.2
Cash/Other	0.5

Top 25 Holdings

	% of Net Asset Value
AT&T Inc.	3.5
JPMorgan Chase & Co.	3.3
Johnson & Johnson	3.3
Bank of America Corp.	3.2
Motorola Solutions Inc.	2.6
Medtronic Plc.	2.6
Abbott Laboratories	2.5
Public Storage Inc. Real Estate Investment Trust	2.4
Boeing Co.	2.4
Hormel Foods Corp.	2.3
Becton Dickinson & Co.	2.3
Alphabet Inc., Class A	2.2
Intercontinental Exchange, Inc.	2.2
Sherwin-Williams Co.	2.2
Simon Property Group Inc.	2.2
Diamondback Energy Inc.	2.2
Amdocs Ltd.	2.2
Home Depot Inc.	2.2
Wells Fargo & Company	2.2
EOG Resources Inc.	2.1
Union Pacific Corp.	2.1
UnitedHealth Group Incorporated	2.1
CMS Energy Corp.	2.1
NextEra Energy Inc.	2.1
CVS Health Corp.	2.1
Top 25 Holdings	60.6

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.



U.S. EQUITY

**RBC PRIVATE U.S. LARGE-CAP VALUE
EQUITY CURRENCY NEUTRAL POOL**

June 30, 2018

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

Sub-Advisor (for the underlying fund): Westwood Management Corp.,
Dallas, Texas

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 total returns primarily through capital appreciation by investing primarily in one or more mutual funds managed by RBC GAM or an affiliate. The assets are invested in common stocks and equivalent securities of U.S. corporations trading below their potential intrinsic value. The Fund also seeks to minimize exposure to currency fluctuations between the U.S. and Canadian dollars.

To achieve its investment objective, the Fund invests most of its assets in the RBC Private U.S. Large-Cap Value Equity Pool (the “underlying fund”), and uses currency hedges to minimize currency exposure. The underlying fund typically invests in U.S. and non-U.S. companies that are constituents of the Russell 1000 or S&P 500 indices. The underlying fund is diversified across major industry sectors, within minimum and maximum exposures.

Results of Operations

The Fund’s net asset value was \$20 million as of June 30, 2018.

Over the past six months, the Fund’s Series O units lost 0.5%. The Fund’s return is after the deduction of 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.

Equities rose early in 2018 but then retreated amid concern that higher inflation would force the U.S. Federal Reserve (the “Fed”) to raise short-term interest rates faster than expected. The Fed raised interest rates twice during the period and took further steps to tighten monetary policy as the economy continued to strengthen. Investors spent much of the period balancing the positive effect of a reduced regulatory burden and tax cuts against the potential for a disruptive trade war with China and other countries. The European Central Bank, one of two other major central banks, signaled that it would also like to begin increasing interest rates sometime in 2019.

Relative performance was aided by strong security selection across the Industrials and Real Estate sectors. Top individual contributors included Motorola Solutions, which benefited from double-digit revenue growth, an expanding backlog and wider profit margins. Shares of Boeing had impressive cash generation, while Dr Pepper Snapple agreed to be acquired at a significant premium by Keurig Green Mountain. Other holdings that aided returns included Booz Allen Hamilton, a defense contractor, and EOG Resources, an oil producer that benefited from strong cash flow and higher production forecasts.

Unfavourable security selection in the Information Technology and Consumer Discretionary sectors held back relative performance. Stocks that had a negative impact on returns included AT&T, which fell in part because of concerns about the company’s move into

the entertainment business. General Mills remained pressured by cost headwinds, though organic growth has begun to improve.

Johnson & Johnson shares declined amid continued challenges at the company’s medical-devices business, while Colgate-Palmolive posted weaker results as emerging-market growth slowed. Comcast shares were held back by investor worries that the company would pay too much in a bidding war for Sky PLC.

It is the policy of the Fund to maintain currency hedges in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. Given this approach, unitholders did not benefit from the U.S. dollar’s rise against the Canadian dollar during the period.

Recent Developments

The Fed is moving forward with its plan to remove the excessive monetary stimulus in place since the financial crisis, though concerns about the sustainability of global growth and the potential for a serious trade war remain issues for investors. Inflation is being stoked by rising commodity prices and wages, and productivity advances will be needed to head off higher inflation. The sub-advisor continues to focus on identifying high-quality businesses having attractive valuations and, in the view of the sub-advisor, the ability to better weather equity-market declines.

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.



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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.

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 (\$)

							Annual Distributions ²					
Increase (Decrease) from Operations ¹							From		From			Net Assets
For the Year/ Period Ended	Net Assets	Total	Total	Realized	Unrealized		Income		Capital	Return		End of
	Beginning of Year/Period	Revenue (Loss)	Expenses	Gains (Losses)	Gains (Losses)	Total	(Excluding Dividends)	Dividends	Gains	of Capital	Total	Year/Period
Series O												
June 30, 2018	18.22	0.17	(0.01)	(0.08)	(0.17)	(0.09)	—	(0.16)	—	—	(0.16)	17.96
Dec. 31, 2017	16.40	0.30	(0.01)	1.97	1.04	3.30	—	(0.29)	(1.21)	—	(1.50)	18.22
Dec. 31, 2016	15.06	0.25	(0.01)	3.09	(0.89)	2.44	—	(0.23)	—	—	(0.23)	16.40
Dec. 31, 2015	16.10	0.27	(0.01)	1.15	(1.32)	0.09	—	(0.26)	(0.75)	—	(1.01)	15.06
Dec. 31, 2014	14.51	0.23	(0.01)	3.63	(2.20)	1.65	—	(0.24)	—	—	(0.24)	16.10
Dec. 31, 2013	11.30	0.21	(0.01)	0.05	3.17	3.42	—	(0.21)	—	—	(0.21)	14.51

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.

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 O							
June 30, 2018	17.96	19 553	1 088	0.15	0.15	21.63	0.03
Dec. 31, 2017	18.22	19 765	1 085	0.15	0.16	16.92	0.02
Dec. 31, 2016	16.40	18 486	1 127	0.15	0.16	132.44	0.03
Dec. 31, 2015	15.06	15 781	1 048	0.15	0.18	48.03	0.03
Dec. 31, 2014	16.10	15 612	970	0.15	0.17	5.56	0.05
Dec. 31, 2013	14.51	28 693	1 977	0.16	0.16	13.25	0.06

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund. The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

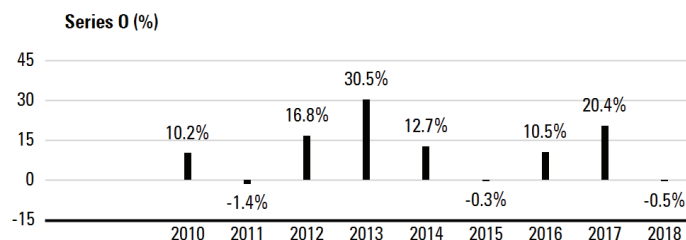


PAST PERFORMANCE

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, or 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 0 units have been available for sale to unitholders since January 11, 2010.

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
Financials	21.2
Information Technology	14.9
Health Care	12.7
Industrials	10.3
Consumer Staples	10.0
Energy	7.7
Utilities	7.3
Consumer Discretionary	5.1
Real Estate	4.6
Telecommunication Services	3.5
Materials	2.2
Cash/Other	0.5

Top 25 Holdings*

	% of Net Asset Value
AT&T Inc.	3.5
JPMorgan Chase & Co.	3.3
Johnson & Johnson	3.3
Bank of America Corp.	3.2
Motorola Solutions Inc.	2.6
Medtronic Plc.	2.6
Abbott Laboratories	2.5
Public Storage Inc. Real Estate Investment Trust	2.4
Boeing Co.	2.4
Hormel Foods Corp.	2.3
Becton Dickinson & Co.	2.3
Alphabet Inc., Class A	2.2
Intercontinental Exchange, Inc.	2.2
Sherwin-Williams Co.	2.2
Simon Property Group Inc.	2.2
Diamondback Energy Inc.	2.2
Amdocs Ltd.	2.2
Home Depot Inc.	2.2
Wells Fargo & Company	2.2
EOG Resources Inc.	2.1
Union Pacific Corp.	2.1
UnitedHealth Group Incorporated	2.1
CMS Energy Corp.	2.1
NextEra Energy Inc.	2.1
CVS Health Corp.	2.1
Top 25 Holdings	60.6

* The Fund invests substantially all of its assets directly in the RBC Private U.S. Large-Cap Value Equity Pool. The above are the Top 25 holdings of the RBC Private U.S. Large-Cap Value Equity Pool.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

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



U.S. EQUITY

**RBC PRIVATE U.S. GROWTH
EQUITY POOL**

June 30, 2018

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

Sub-Advisor: Brown Advisory, LLC, Baltimore, Maryland

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 long-term growth primarily through capital appreciation by investing in common stocks and equivalent securities of U.S. corporations that offer above-average prospects for growth.

The Fund identifies opportunities using detailed, bottom-up fundamental research performed through the analysis of a company's financial statements, long-term business model and industry attractiveness.

The Fund diversifies across major industry sectors. The Fund invests in companies with an attractive combination of large and sustainable market opportunities, experienced and credible management, proprietary products or services, healthy financial position and attractive valuations relative to their long-term growth opportunity.

Results of Operations

The Fund's net asset value was \$435 million as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 19.6%. The Fund's return is after the deduction of 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.

The economy remained on solid footing during the first half of 2018, but rising interest rates and concern about protectionist threats to global trade led to a spike in equity-market volatility. Most sectors in the Fund aided relative performance, with a notable contribution from Health Care. All six of the portfolio's health-care-related holdings performed well. The portfolio benefited from exposure to shares of DexCom, which rose after the company introduced a new glucose monitor, and low exposure to biotechnology stocks, as they performed poorly.

Facebook and several of the Fund's consumer-oriented technology companies came under scrutiny during the period for data-privacy and security issues. The Fund trimmed its Facebook position in advance of a drop in the company's stock in April, as it had appreciated significantly over the previous year.

Recent Developments

Periods of volatility are disconcerting, but the sub-advisor has been able to capitalize on such periods. Volatility often opens up opportunities to execute the Fund's investment process by adding long-term holdings that were deemed too expensive or by increasing an existing holding at an attractive valuation.

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.

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	Total	
Series F												
June 30, 2018	184.40	0.37	(1.19)	12.54	23.09	34.81	—	—	—	—	—	219.33
Dec. 31, 2017	151.86	0.89	(2.06)	10.58	29.19	38.60	—	—	—	—	—	184.40
Dec. 31, 2016	161.98	0.65	(1.82)	15.95	(23.45)	(8.67)	—	—	—	—	—	151.86
Dec. 31, 2015	127.74	0.95	(1.75)	18.45	17.31	34.96	—	—	—	—	—	161.98
Dec. 31, 2014	110.30	0.77	(1.38)	10.26	7.23	16.88	—	—	—	—	—	127.74
Dec. 31, 2013	80.26	0.60	(1.18)	2.96	27.47	29.85	—	—	—	—	—	110.28
Series O												
June 30, 2018	190.77	0.39	(0.08)	12.99	24.22	37.52	—	(0.29)	—	—	(0.29)	227.85
Dec. 31, 2017	156.05	0.91	(0.14)	10.84	24.05	35.66	(0.03)	(0.75)	—	—	(0.78)	190.77
Dec. 31, 2016	165.20	0.67	(0.12)	16.30	(25.78)	(8.93)	—	(0.57)	—	—	(0.57)	156.05
Dec. 31, 2015	129.64	0.97	(0.12)	18.74	17.58	37.17	—	(0.91)	—	—	(0.91)	165.20
Dec. 31, 2014	111.37	0.78	(0.09)	10.40	7.33	18.42	—	(0.70)	—	—	(0.70)	129.64
Dec. 31, 2013	80.78	0.61	(0.07)	2.98	27.68	31.20	—	(0.65)	—	—	(0.65)	111.35

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	219.33	3 754	17	1.18	1.18	23.78	0.01
Dec. 31, 2017	184.40	2 562	14	1.19	1.19	32.25	0.02
Dec. 31, 2016	151.86	1 043	7	1.20	1.20	31.76	0.03
Dec. 31, 2015	161.98	941	6	1.19	1.19	30.59	0.03
Dec. 31, 2014	127.74	592	5	1.19	1.19	20.88	0.02
Dec. 31, 2013	110.30	703	6	1.24	1.24	23.38	0.02
Series O							
June 30, 2018	227.85	430 881	1 891	0.08	0.08	23.78	0.01
Dec. 31, 2017	190.77	373 078	1 956	0.08	0.08	32.25	0.02
Dec. 31, 2016	156.05	339 941	2 178	0.08	0.08	31.76	0.03
Dec. 31, 2015	165.20	394 114	2 386	0.08	0.08	30.59	0.03
Dec. 31, 2014	129.64	340 987	2 630	0.08	0.08	20.88	0.02
Dec. 31, 2013	111.37	322 841	2 899	0.08	0.08	23.38	0.02

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund. The management fee with respect to Series F units is 1.00% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

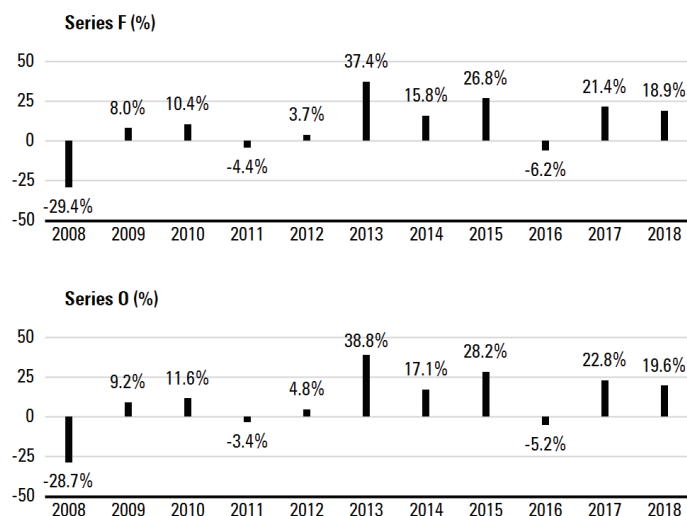


PAST PERFORMANCE

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, or 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.



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	41.5
Health Care	19.1
Industrials	12.9
Consumer Discretionary	10.9
Consumer Staples	5.6
Real Estate	3.5
Materials	3.1
Cash/Other	3.4

Top 25 Holdings

	% of Net Asset Value
Amazon.com, Inc.	5.0
Zoetis Inc.	4.5
Visa Inc., Class A	4.3
Intuit Inc.	4.3
Intuitive Surgical Inc.	4.1
Alphabet Inc., Class C	4.0
Salesforce.com Inc.	4.0
Adobe Systems Inc.	3.8
Facebook Inc., Class A	3.8
PayPal Holdings Inc.	3.7
SBA Communications Corp., Class A Real Estate Investment Trust	3.5
Roper Technologies Inc.	3.5
Cash & Cash Equivalents	3.4
Fortive Corp.	3.3
Electronic Arts Inc.	3.2
Booking Holdings Inc.	3.2
Amphenol Corp., Class A	3.2
Sherwin-Williams Co.	3.1
Costco Wholesale Corp.	3.0
Thermo Fisher Scientific Inc.	3.0
Danaher Corp.	2.9
TJX Companies Inc.	2.7
Estée Lauder Companies Inc., Class A	2.6
Genpact Ltd.	2.5
DexCom Inc.	2.4
Top 25 Holdings	87.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.



U.S. EQUITY

RBC PRIVATE U.S. LARGE-CAP CORE EQUITY POOL

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.

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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.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns consisting primarily of capital appreciation by investing in common stocks of U.S. corporations.

The Fund typically invests in large-cap companies that belong to the Standard & Poor's 500 Index. The Fund will be diversified across industries and, in aggregate, normally will have lower price-to-earnings, price-to-book, and price-to-cash-flow ratios than the Standard & Poor's 500 Index. Equities are also selected based on expectations of improved fundamentals that could result from restructurings, management changes and new-product cycles.

Results of Operations

The Fund's net asset value was \$2.4 billion as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 7.1%. The Fund's return is after the deduction of 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 U.S. tax cuts yielded to concerns over weaker economic growth and rising protectionism. Robust earnings growth was a positive for stocks. However, sustained economic growth and robust earnings were accompanied by higher interest rates and faster inflation, which weighed on valuations. Against this backdrop, equities struggled to make the kind of headway that came so easily last year.

Security selection was strong in the first half of the year, with an overweight position in Amazon contributing significantly to the Fund's returns. Amazon continues to benefit from the ramping-up of same-day deliveries and has diversified its revenue mix with high-growth, high-margin internet-marketing services. The absence in the portfolio of General Electric, which performed poorly, was also a positive for the Fund. Conversely, an overweight position in Mohawk Industries held back returns as the company has been stepping up capital expenditures. The success of this investment may start to show in near-term earnings.

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 even higher. 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 rest 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 \$27,000 (2017 – \$115,000) or 6% (2017 – 11%) 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	Total	
Series F												
June 30, 2018	23.32	0.19	(0.09)	0.73	0.77	1.60	—	(0.11)	—	—	(0.11)	24.78
Dec. 31, 2017	21.27	0.34	(0.17)	1.80	1.32	3.29	—	(0.17)	(0.99)	—	(1.16)	23.32
Dec. 31, 2016	20.89	0.45	(0.16)	(0.17)	0.61	0.73	—	(0.30)	—	—	(0.30)	21.27
Dec. 31, 2015	18.58	0.37	(0.19)	1.93	1.00	3.11	—	(0.11)	(0.99)	—	(1.10)	20.89
Dec. 31, 2014	16.31	0.29	(0.16)	2.18	1.72	4.03	—	(0.11)	(1.57)	—	(1.68)	18.58
Dec. 31, 2013	12.59	0.31	(0.15)	1.42	2.70	4.28	—	(0.14)	(0.90)	—	(1.04)	16.31
Series O												
June 30, 2018	23.57	0.20	(0.01)	0.74	0.75	1.68	—	(0.18)	—	—	(0.18)	25.04
Dec. 31, 2017	21.51	0.34	(0.03)	1.82	1.27	3.40	(0.01)	(0.31)	(1.01)	—	(1.33)	23.57
Dec. 31, 2016	21.11	0.46	(0.02)	(0.18)	0.73	0.99	—	(0.43)	—	—	(0.43)	21.51
Dec. 31, 2015	18.78	0.35	(0.02)	1.83	0.94	3.10	—	(0.28)	(1.01)	—	(1.29)	21.11
Dec. 31, 2014	16.48	0.29	(0.02)	2.20	1.73	4.20	—	(0.26)	(1.57)	—	(1.83)	18.78
Dec. 31, 2013	12.75	0.34	(0.02)	1.56	2.97	4.85	—	(0.31)	(0.91)	—	(1.22)	16.48

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	24.78	27 672	1 117	0.74	0.74	61.41	0.04
Dec. 31, 2017	23.32	24 226	1 039	0.74	0.74	81.28	0.08
Dec. 31, 2016	21.27	20 497	963	0.82 ⁴	0.82	70.35	0.07
Dec. 31, 2015	20.89	19 219	920	0.89	0.89	90.05	0.12
Dec. 31, 2014	18.58	11 902	641	0.90	0.90	76.82	0.10
Dec. 31, 2013	16.31	8 199	503	0.98	0.98	84.71	0.16
Series O							
June 30, 2018	25.04	2 422 156	96 727	0.11	0.11	61.41	0.04
Dec. 31, 2017	23.57	2 210 157	93 782	0.11	0.11	81.28	0.08
Dec. 31, 2016	21.51	1 915 981	89 080	0.11	0.11	70.35	0.07
Dec. 31, 2015	21.11	1 751 255	82 966	0.11	0.11	90.05	0.12
Dec. 31, 2014	18.78	675 585	35 974	0.11	0.11	76.82	0.10
Dec. 31, 2013	16.48	488 166	29 625	0.11	0.11	84.71	0.16

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.

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 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 F – 0.74%.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund.

The management fee with respect to Series F units is 0.60% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

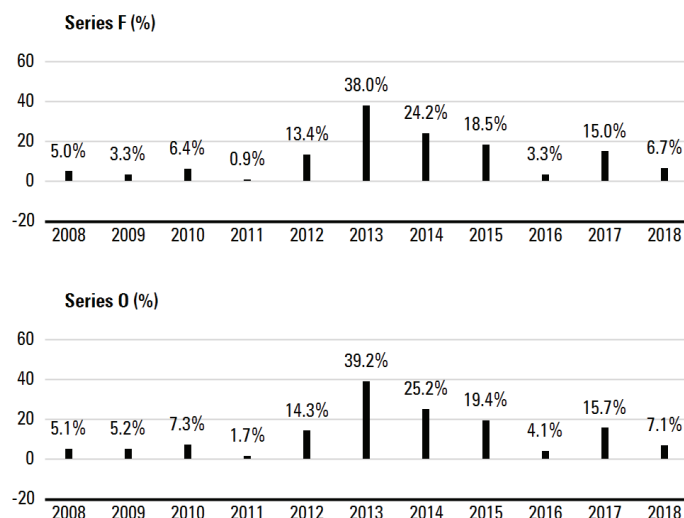


PAST PERFORMANCE

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, or 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 F and Series O units have been available for sale to unitholders since October 20, 2008.

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	25.9
Financials	13.6
Health Care	13.3
Consumer Discretionary	13.0
Industrials	8.2
Energy	6.8
Consumer Staples	6.2
Real Estate	2.7
Utilities	2.3
Materials	2.2
Telecommunication Services	0.4
Cash/Other	5.4

Top 25 Holdings

	% of Net Asset Value
Amazon.com, Inc.	4.5
Cash & Cash Equivalents	4.4
Apple Inc.	3.9
Microsoft Corp.	3.7
Alphabet Inc., Class C	3.4
JPMorgan Chase & Co.	2.1
Facebook Inc., Class A	2.0
Bank of America Corp.	1.7
Johnson & Johnson	1.6
UnitedHealth Group Incorporated	1.6
Home Depot Inc.	1.6
Berkshire Hathaway Inc., Class B	1.5
Chevron Corp.	1.4
Visa Inc., Class A	1.4
Boeing Co.	1.3
Cisco Systems Inc.	1.3
Union Pacific Corp.	1.2
DowDuPont Inc.	1.1
Wells Fargo & Company	1.1
Exxon Mobil Corp.	1.0
Medtronic Plc.	1.0
Abbott Laboratories	1.0
SPDR S&P 500 ETF Trust	1.0
Comcast Corp., Class A	1.0
Intel Corp.	1.0
Top 25 Holdings	46.8

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.



U.S. EQUITY

RBC PRIVATE U.S. LARGE-CAP CORE EQUITY CURRENCY NEUTRAL POOL

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 total returns consisting primarily of capital appreciation by investing primarily in one or more mutual funds managed by RBC GAM or an affiliate. The assets are invested in common stocks of U.S. corporations. The Fund also seeks to minimize the exposure of currency fluctuations between the U.S. and Canadian dollars.

To achieve its objective, the Fund invests most of its assets in the RBC Private U.S. Large-Cap Core Equity Pool (the “underlying fund”), and uses currency hedges to minimize currency exposure. The underlying fund typically invests in large-cap companies that belong to the Standard & Poor’s 500 Index. The underlying fund will be diversified across industries and, in aggregate, normally will have lower price-to-earnings, price-to-book, and price-to-cash-flow ratios than the Standard & Poor’s 500 Index. Equities are also selected based on expectations of improved fundamentals that could result from restructurings, management changes and new-product cycles.

Results of Operations

The Fund’s net asset value was \$64 million as of June 30, 2018.

Over the past six months, the Fund’s Series O units gained 1.9%. The Fund’s return is after the deduction of 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 U.S. tax cuts yielded to concerns over weaker economic growth and rising protectionism. Robust earnings growth was a positive for stocks. However, sustained economic growth and robust earnings were accompanied by higher interest rates and faster inflation, which weighed on valuations. Against this backdrop, equities struggled to make the kind of headway that came so easily last year.

Security selection was strong in the first half of the year, with an overweight position in Amazon contributing significantly to the Fund’s returns. Amazon continues to benefit from the ramping-up of same-day deliveries and has diversified its revenue mix with high-growth, high-margin internet-marketing services. The absence in the portfolio of General Electric, which performed poorly, was also a positive for the Fund. Conversely, an overweight position in Mohawk Industries held back returns as the company has been stepping up capital expenditures. The success of this investment may start to show in near-term earnings.

It is the policy of the Fund to maintain currency hedges in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. Given this approach, unitholders did not benefit from the U.S. dollar’s rise against the Canadian dollar during the period.

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 even higher. 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 rest 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.

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 (\$)

							Annual Distributions ²					
Increase (Decrease) from Operations ¹							From		From			Net Assets
For the Year/ Period Ended	Net Assets	Total	Total	Realized	Unrealized		Income		Capital	Return		End of
	Beginning of Year/Period	Revenue (Loss)	Expenses	Gains (Losses)	Gains (Losses)	Total	(Excluding Dividends)	Dividends	Gains	of Capital	Total	Year/Period
Series O												
June 30, 2018	15.47	0.12	—	(0.01)	0.20	0.31	—	(0.11)	—	—	(0.11)	15.65
Dec. 31, 2017	13.60	0.20	(0.01)	2.04	0.87	3.10	(0.01)	(0.19)	(1.04)	—	(1.24)	15.47
Dec. 31, 2016	13.01	0.26	(0.01)	1.34	0.69	2.28	—	(0.28)	—	—	(0.28)	13.60
Dec. 31, 2015	13.19	0.18	(0.01)	—	(0.15)	0.02	—	(0.17)	—	—	(0.17)	13.01
Dec. 31, 2014	12.96	0.20	(0.01)	1.49	0.26	1.94	—	(0.18)	(1.54)	—	(1.72)	13.19
Dec. 31, 2013	10.59	0.25	(0.01)	0.69	2.31	3.24	—	(0.24)	(0.69)	—	(0.93)	12.96

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.

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 O							
June 30, 2018	15.65	63 719	4 071	0.17	0.17	28.38	0.04
Dec. 31, 2017	15.47	59 769	3 864	0.17	0.17	13.71	0.08
Dec. 31, 2016	13.60	65 291	4 802	0.17	0.17	112.19	0.07
Dec. 31, 2015	13.01	15 162	1 165	0.17	0.20	40.21	0.12
Dec. 31, 2014	13.19	8 271	627	0.16	0.20	28.77	0.10
Dec. 31, 2013	12.96	8 581	662	0.20	0.20	43.10	0.16

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund.
The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

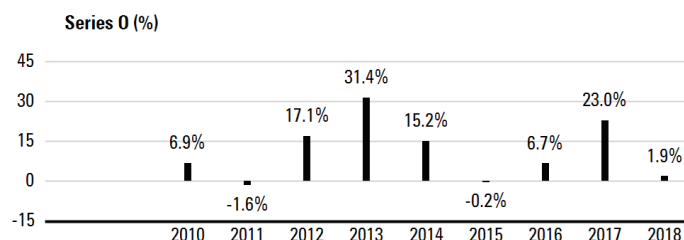


PAST PERFORMANCE

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, or 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 0 units have been available for sale to unitholders since January 11, 2010.

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	25.9
Financials	13.6
Health Care	13.3
Consumer Discretionary	13.0
Industrials	8.2
Energy	6.8
Consumer Staples	6.2
Real Estate	2.7
Utilities	2.3
Materials	2.2
Telecommunication Services	0.4
Cash/Other	5.4

Top 25 Holdings*

	% of Net Asset Value
Amazon.com, Inc.	4.5
Cash & Cash Equivalents	4.4
Apple Inc.	3.9
Microsoft Corp.	3.7
Alphabet Inc., Class C	3.4
JPMorgan Chase & Co.	2.1
Facebook Inc., Class A	2.0
Bank of America Corp.	1.7
Johnson & Johnson	1.6
UnitedHealth Group Incorporated	1.6
Home Depot Inc.	1.6
Berkshire Hathaway Inc., Class B	1.5
Chevron Corp.	1.4
Visa Inc., Class A	1.4
Boeing Co.	1.3
Cisco Systems Inc.	1.3
Union Pacific Corp.	1.2
DowDuPont Inc.	1.1
Wells Fargo & Company	1.1
Exxon Mobil Corp.	1.0
Medtronic Plc.	1.0
Abbott Laboratories	1.0
SPDR S&P 500 ETF Trust	1.0
Comcast Corp., Class A	1.0
Intel Corp.	1.0
Top 25 Holdings	46.8

* The Fund invests substantially all of its assets directly in the RBC Private U.S. Large-Cap Core Equity Pool. The above are the Top 25 holdings of the RBC Private U.S. Large-Cap Core Equity Pool.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

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



U.S. EQUITY

RBC PRIVATE U.S. SMALL-CAP EQUITY POOL

June 30, 2018

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

Sub-Advisor: Kennedy Capital Management, Inc., St. Louis, Missouri

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 growth, primarily through capital appreciation, by investing in a portfolio of common stocks and equivalent securities of small- to mid-capitalization U.S. companies.

The Fund typically invests in companies that trade regularly on major U.S. stock exchanges. Investments are primarily within the Russell 2000 Index and are diversified across major industry sectors within minimum and maximum exposures. The Fund may not purchase or sell derivatives instruments, including options, futures and forwards.

Results of Operations

The Fund's net asset value was \$218 million as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 11.2%. The Fund's return is after the deduction of 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.

The Fund's returns were hurt the most by two stocks in the Consumer Discretionary sector, Winnebago Industries and Universal Electronics. The issue for Winnebago was whether the company's long-standing growth in sales had ended. In any case, the sub-advisor eliminated the stock from the portfolio given substantial gains over a multiyear holding period. Universal Electronics, a maker of television remote controls, was hindered by new-product delays. The sub-advisor still believes that the company's devices will bring increased sales and profits, and is continuing to hold the stock.

The Information Technology sector accounted for half of the Fund's 10 top-contributing stocks. A few industry groups within the sector were up between 30% and 40%. These groups have high revenue growth rates but are not expected to be hurt by escalating trade tensions. The sub-advisor has found that valuations in much of the Information Technology sector are generally excessive.

Health Care was the Fund's best-performing sector during the first half of the year. ICU Medical was the top contributor in the sector and in the portfolio as an acquisition is working out much better than expected. The Fund also did well in the Real Estate sector.

The Fund was overweight in the Health Care and Information Technology sectors and underweight in the Energy, Financials and Consumer Discretionary sectors. The sub-advisor remains cautious about oil prices.

Recent Developments

The sub-advisor started 2018 with the intent of shifting the emphasis of the Fund to value stocks from growth stocks by the end of the year. As of June 30, 2018, the Fund is about halfway toward fulfilling this goal.

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.

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	Total	
Series F												
June 30, 2018	129.91	0.66	(0.98)	14.08	0.13	13.89	—	—	—	—	—	143.44
Dec. 31, 2017	134.92	1.21	(1.97)	12.19	(8.47)	2.96	—	—	(9.99)	—	(9.99)	129.91
Dec. 31, 2016	117.16	1.44	(1.84)	16.56	12.75	28.91	—	—	(11.00)	—	(11.00)	134.92
Dec. 31, 2015	117.16	1.45	(2.01)	24.46	(3.49)	20.41	—	—	(19.28)	—	(19.28)	117.16
Dec. 31, 2014	126.13	1.02	(1.95)	21.70	(14.09)	6.68	—	—	(16.80)	—	(16.80)	117.16
Dec. 31, 2013	93.97	0.84	(1.75)	13.28	23.04	35.41	—	—	(3.35)	—	(3.35)	126.06
Series O												
June 30, 2018	143.13	0.72	(0.08)	15.53	(0.17)	16.00	—	(0.63)	—	—	(0.63)	158.46
Dec. 31, 2017	147.85	1.33	(0.17)	13.42	(7.14)	7.44	(0.04)	(1.16)	(11.05)	—	(12.25)	143.13
Dec. 31, 2016	127.78	1.57	(0.15)	18.08	12.51	32.01	—	(1.44)	(11.81)	—	(13.25)	147.85
Dec. 31, 2015	127.33	1.55	(0.16)	26.09	(3.72)	23.76	—	(1.38)	(21.17)	—	(22.55)	127.78
Dec. 31, 2014	134.82	1.13	(0.15)	24.15	(15.69)	9.44	—	(1.02)	(16.80)	—	(17.82)	127.33
Dec. 31, 2013	99.59	0.88	(0.13)	13.95	24.22	38.92	—	(0.86)	(3.35)	—	(4.21)	134.75

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	143.44	472	3	1.48	1.48	49.27	0.10
Dec. 31, 2017	129.91	541	4	1.48	1.48	48.94	0.11
Dec. 31, 2016	134.92	476	4	1.49	1.49	50.99	0.13
Dec. 31, 2015	117.16	396	3	1.53	1.53	58.71	0.16
Dec. 31, 2014	117.16	8	—	1.51	1.51	38.56	0.11
Dec. 31, 2013	126.13	120	1	1.54	1.54	42.48	0.11
Series O							
June 30, 2018	158.46	217 713	1 374	0.11	0.11	49.27	0.10
Dec. 31, 2017	143.13	186 833	1 305	0.11	0.11	48.94	0.11
Dec. 31, 2016	147.85	185 021	1 251	0.11	0.11	50.99	0.13
Dec. 31, 2015	127.78	170 400	1 334	0.11	0.11	58.71	0.16
Dec. 31, 2014	127.33	185 825	1 459	0.11	0.11	38.56	0.11
Dec. 31, 2013	134.82	244 594	1 814	0.11	0.11	42.48	0.11

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund.

The management fee with respect to Series F units is 1.25% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

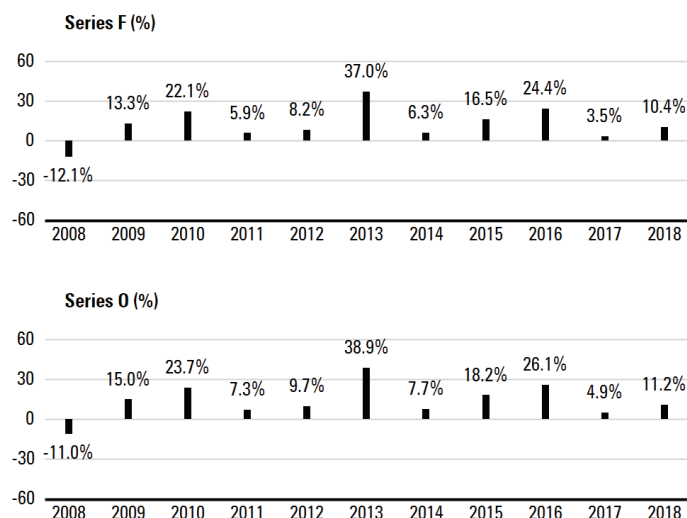


PAST PERFORMANCE

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, or 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.



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
Health Care	20.4
Information Technology	20.4
Industrials	14.4
Financials	14.2
Consumer Discretionary	9.3
Materials	5.5
Real Estate	5.4
Utilities	2.4
Energy	2.2
Cash/Other	5.8

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	5.8
ICU Medical Inc.	3.5
Education Realty Trust Inc. Real Estate Investment Trust	2.6
LivaNova Plc.	2.5
BioTelemetry Inc.	2.5
Angiodynamics Inc.	2.4
Terex Corp.	2.4
Oxford Industries Inc.	2.4
Spire Inc.	2.4
Belden CDT Inc.	2.3
EnerSys	2.3
Woodward Inc.	2.2
Omniceil Inc.	2.2
TTM Technologies Inc.	2.2
West Pharmaceutical Services Inc.	2.2
WNS Holdings Ltd. ADR	2.2
Dick's Sporting Goods Inc.	2.2
Commvault Systems Inc.	2.1
Cubic Corp.	2.1
Diplomat Pharmacy Inc.	2.1
Union Bankshares Corp.	2.1
Extended Stay America Inc.	2.0
Apogee Enterprises Inc.	2.0
Lumentum Holdings Inc.	2.0
Euronet Worldwide Inc.	2.0
Top 25 Holdings	60.7

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.



INTERNATIONAL EQUITY

RBC PRIVATE EAFE EQUITY POOL

June 30, 2018

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

Sub-Advisor: EARNEST Partners, LLC, Atlanta, Georgia

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 growth primarily through capital appreciation by investing in a portfolio of common stocks, American Depositary Receipts (“ADRs”) and equivalent securities of major companies domiciled in the developed countries of Europe, Australasia and the Far East (“EAFE”).

The Fund selects medium- to large-capitalization companies which, in aggregate, normally exhibit lower price/earnings and price/cash flow ratios than the Morgan Stanley Capital International (“MSCI”) EAFE Index. The Fund diversifies by region and sector within certain minimum and maximum exposures and may use derivatives for currency hedging purposes. The Fund may invest up to 20% of its assets in securities of companies not domiciled in EAFE countries, which may include emerging markets.

Results of Operations

The Fund’s net asset value was \$275 million as of June 30, 2018.

Over the past six months, the Fund’s Series O units gained 1.2%. The Fund’s return is after the deduction of 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.

Equity markets advanced at the beginning of 2018 only to give back the gains in February. The next few months showed subdued returns, and volatility persisted as trade tensions dominated market movements. The U.S. Federal Reserve voted to increase the short-term benchmark rate twice in the first half of 2018, and higher U.S. bond yields attracted capital at the expense of emerging markets, which struggled with geopolitical uncertainty and weak currencies. The Fund has an allocation to emerging markets, and this area of the portfolio hurt overall performance during the period.

Stock selection aided returns, particularly in Europe. ICON Plc, an Ireland-based company that conducts clinical trials for the pharmaceuticals industry and is one of the Fund’s 10 largest holdings, was among the stocks that boosted relative returns during the period. Stock selection was strong in the Financials sector. Bancolombia, a consumer bank based in Colombia, was a strong performer during the period, although the Financials sector was a negative overall for the Fund’s returns.

There were no material changes in the portfolio’s composition during the period.

Recent Developments

The sub-advisor plans to maintain the Fund’s exposure to emerging markets given opportunities in this area. Valuation levels are attractive, and the potential for earnings growth over the medium to long term remains above that of developed markets, in the sub-advisor’s view.

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.

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	Total	
Series F												
June 30, 2018	14.13	0.23	(0.09)	0.04	(0.05)	0.13	—	(0.13)	—	—	(0.13)	14.10
Dec. 31, 2017	12.01	0.34	(0.16)	0.96	1.41	2.55	—	(0.20)	—	—	(0.20)	14.13
Dec. 31, 2016	12.13	0.28	(0.14)	0.91	(0.96)	0.09	—	(0.14)	—	—	(0.14)	12.01
Dec. 31, 2015	10.93	0.29	(0.15)	0.42	0.79	1.35	—	(0.15)	—	—	(0.15)	12.13
Dec. 31, 2014	10.91	0.24	(0.14)	0.19	(0.17)	0.12	—	(0.10)	—	—	(0.10)	10.93
Dec. 31, 2013	8.87	0.20	(0.12)	0.06	2.01	2.15	—	(0.08)	—	—	(0.08)	10.91
Series O												
June 30, 2018	14.17	0.24	(0.01)	0.04	(0.09)	0.18	—	(0.21)	—	—	(0.21)	14.14
Dec. 31, 2017	12.05	0.34	(0.01)	0.97	1.19	2.49	—	(0.35)	—	—	(0.35)	14.17
Dec. 31, 2016	12.17	0.28	(0.01)	0.91	(1.23)	(0.05)	—	(0.27)	—	—	(0.27)	12.05
Dec. 31, 2015	10.96	0.29	(0.01)	0.42	0.79	1.49	—	(0.28)	—	—	(0.28)	12.17
Dec. 31, 2014	10.95	0.24	(0.01)	0.19	(0.17)	0.25	—	(0.23)	—	—	(0.23)	10.96
Dec. 31, 2013	8.89	0.20	(0.01)	0.06	2.00	2.25	—	(0.18)	—	—	(0.18)	10.94

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	14.10	2 490	177	1.22	1.22	12.99	0.04
Dec. 31, 2017	14.13	2 428	172	1.21	1.21	17.50	0.08
Dec. 31, 2016	12.01	6 898	574	1.22	1.22	23.58	0.11
Dec. 31, 2015	12.13	6 620	546	1.23	1.23	10.14	0.05
Dec. 31, 2014	10.93	5 770	528	1.22	1.22	5.53	0.03
Dec. 31, 2013	10.91	6 773	621	1.23	1.23	11.08	0.07
Series O							
June 30, 2018	14.14	272 185	19 250	0.09	0.09	12.99	0.04
Dec. 31, 2017	14.17	275 385	19 429	0.09	0.09	17.50	0.08
Dec. 31, 2016	12.05	254 669	21 140	0.09	0.09	23.58	0.11
Dec. 31, 2015	12.17	303 502	24 946	0.09	0.09	10.14	0.05
Dec. 31, 2014	10.96	292 154	26 647	0.09	0.09	5.53	0.03
Dec. 31, 2013	10.95	288 265	26 338	0.09	0.09	11.08	0.07

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund. The management fee with respect to Series F units is 1.00% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

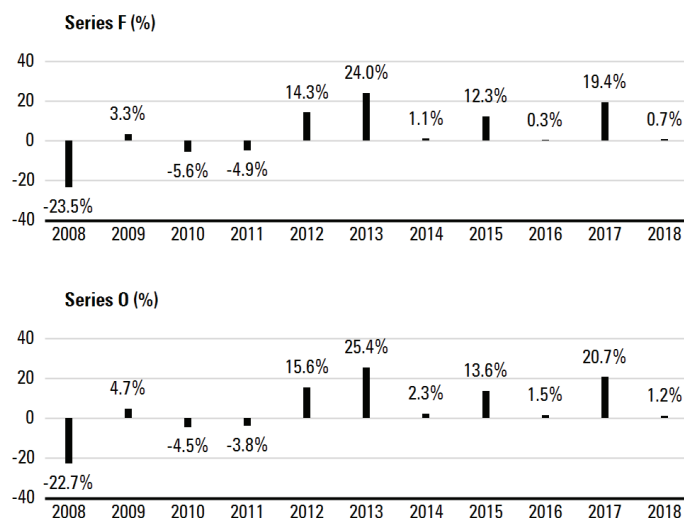


PAST PERFORMANCE

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, or 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.



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
United Kingdom	10.6
France	8.9
United States	8.2
Japan	8.0
Germany	6.0
Norway	5.7
Austria	5.4
China	5.1
Switzerland	5.0
Netherlands	4.0
Ireland	3.9
Italy	3.8
Spain	2.9
Australia	2.7
South Korea	2.3
Taiwan	1.9
Brazil	1.7
Other Countries	12.1
Cash/Other	1.8



SUMMARY OF INVESTMENT PORTFOLIO (cont.)

(after consideration of derivative products, if any)

As at June 30, 2018

Top 25 Holdings

	% of Net Asset Value
ICON Plc.	3.9
Amadeus IT Group S.A.	3.0
Core Laboratories N.V.	2.8
Safran S.A.	2.7
DnB ASA	2.7
Nice Ltd. ADR	2.5
Carnival Corp.	2.5
Diageo Plc.	2.5
Luxottica Group S.p.A. ADR	2.3
Unilever Plc.	2.2
Denso Corp.	2.1
Voestalpine AG	2.1
Heineken N.V.	2.1
Relx N.V.	2.0
Schoeller-Bleckmann Oilfield Equipment AG	1.9
Novartis AG	1.9
Roche Holdings AG Genusscheine	1.9
Everest Re Group Ltd.	1.9
Taiwan Semiconductor Manufacturing Co. Ltd.	1.9
DBS Group Holdings Ltd.	1.9
Publicis Groupe	1.8
HSBC Holdings Plc. (U.K. Reg.)	1.8
Secom Co. Ltd.	1.8
Sodexo	1.8
Toray Industries Inc.	1.8
Top 25 Holdings	55.8

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.



INTERNATIONAL EQUITY

RBC PRIVATE OVERSEAS EQUITY POOL

June 30, 2018

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

Sub-Advisor: Edinburgh Partners Limited, Edinburgh, Scotland

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 total returns through capital appreciation by investing in equity securities of companies domiciled primarily in the developed nations of Europe, Australasia and the Far East. It may also invest in equity securities of companies domiciled in other parts of the world, excluding Canada and the U.S.

The Fund diversifies its holdings by region and sector within certain minimum and maximum exposures and may use derivatives for currency hedging purposes. It may invest no more than 20% of its assets in securities of companies domiciled in emerging markets.

Results of Operations

The Fund's net asset value was \$224 million as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 0.6%. The Fund's return is after the deduction of 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.

International equities were slightly higher during the first half of 2018. The most notable feature of the period was an increase in financial-market volatility sparked by increasing tension over import tariffs imposed initially by the U.S. The Trump administration appeared to be focused on China, but the risks of escalation worldwide are real and weighed on investor confidence.

The Fund's energy holdings performed well, led by BP and Total, as oil prices climbed over the period. Demand for oil continued to rise, and major producers are generating sufficient cash to maintain their dividends and reinvest in their businesses. Even in this environment, the outlook for prices remained unclear, as investors tried to gauge whether OPEC members such as Saudi Arabia would increase production to offset reduced supply from Iran and Venezuela.

The Fund's bank holdings were weak during the period, particularly European banks such as Commerzbank that are sensitive to low bond yields. Confidence in European growth was dented by political developments, including the new coalition government in Italy and rising trade tensions. While these risks are real, the sub-advisor believes the valuations of the Fund's European bank holdings now reflect a very pessimistic outcome.

The sale of NTT by the sub-advisor during the period reduced the Fund's Japanese exposure to just below 25%. The Fund's exposure to Europe has risen following the purchases of ENI and Ahold and stands at about 40%. Bank exposure fell due to weak performance from the European holdings and trimming of the Fund's position in Singapore-based DBS, which was the best-performing stock in the portfolio.

Recent Developments

The European Central Bank intends to stop asset purchases in 2018 and raise interest rates beginning in late 2019. The end of asset purchases in Europe is a welcome development that should improve confidence in the prospects for European growth, in the view of the sub-advisor.

The risk of a trade war between the U.S. and China remains a threat to economic growth and to business confidence across the world. The direct effects may be limited, but the indirect effects would be felt across Asia and Europe.

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.

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	Total	
Series F												
June 30, 2018	10.44	0.19	(0.07)	0.46	(0.61)	(0.03)	—	(0.13)	—	—	(0.13)	10.31
Dec. 31, 2017	9.20	0.27	(0.13)	0.31	1.30	1.75	—	(0.15)	(0.23)	—	(0.38)	10.44
Dec. 31, 2016	10.15	0.31	(0.12)	0.51	(1.43)	(0.73)	—	(0.20)	(0.50)	—	(0.70)	9.20
Dec. 31, 2015	9.51	0.33	(0.14)	0.52	0.39	1.10	—	(0.18)	(0.38)	—	(0.56)	10.15
Dec. 31, 2014	9.42	0.34	(0.12)	0.69	(0.52)	0.39	—	(0.21)	(0.10)	—	(0.31)	9.51
Dec. 31, 2013	7.18	0.20	(0.11)	0.38	1.97	2.44	—	(0.09)	—	—	(0.09)	9.42
Series O												
June 30, 2018	10.57	0.19	(0.01)	0.47	(0.59)	0.06	—	(0.19)	—	—	(0.19)	10.44
Dec. 31, 2017	9.32	0.27	(0.02)	0.32	1.17	1.74	—	(0.26)	(0.23)	—	(0.49)	10.57
Dec. 31, 2016	10.27	0.31	(0.02)	0.52	(1.18)	(0.37)	—	(0.31)	(0.50)	—	(0.81)	9.32
Dec. 31, 2015	9.62	0.34	(0.02)	0.53	0.40	1.25	—	(0.30)	(0.39)	—	(0.69)	10.27
Dec. 31, 2014	9.53	0.34	(0.02)	0.70	(0.53)	0.49	—	(0.32)	(0.10)	—	(0.42)	9.62
Dec. 31, 2013	7.25	0.20	(0.01)	0.38	1.97	2.54	—	(0.18)	—	—	(0.18)	9.53

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	10.31	482	47	1.27	1.27	19.77	0.07
Dec. 31, 2017	10.44	452	43	1.25	1.25	10.55	0.03
Dec. 31, 2016	9.20	495	54	1.28	1.28	12.79	0.06
Dec. 31, 2015	10.15	738	73	1.30	1.30	29.11	0.10
Dec. 31, 2014	9.51	320	34	1.30	1.30	31.31	0.10
Dec. 31, 2013	9.42	319	34	1.30	1.30	25.06	0.14
Series O							
June 30, 2018	10.44	223 517	21 409	0.16	0.16	19.77	0.07
Dec. 31, 2017	10.57	222 855	21 080	0.16	0.16	10.55	0.03
Dec. 31, 2016	9.32	189 423	20 335	0.16	0.16	12.79	0.06
Dec. 31, 2015	10.27	276 539	26 925	0.16	0.16	29.11	0.10
Dec. 31, 2014	9.62	234 818	24 406	0.16	0.16	31.31	0.10
Dec. 31, 2013	9.53	193 093	20 264	0.17	0.17	25.06	0.14

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund.

The management fee with respect to Series F units is 1.00% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

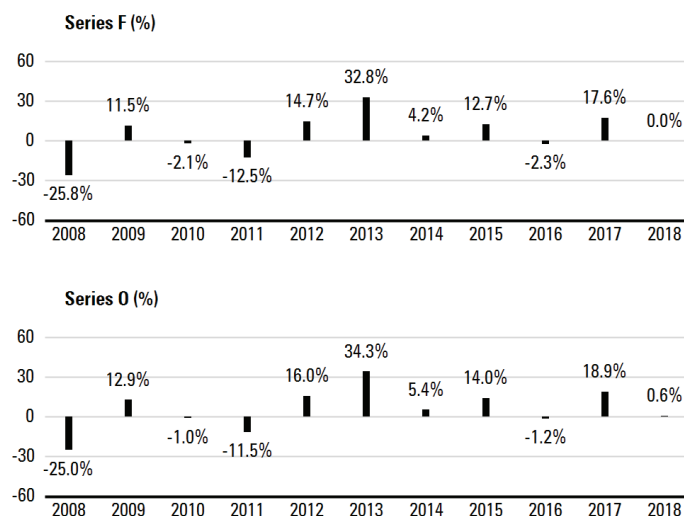


PAST PERFORMANCE

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, or 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.



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
Japan	23.8
United Kingdom	16.9
Switzerland	8.2
China	6.9
Germany	6.8
Hong Kong	6.8
France	5.6
Singapore	4.6
Netherlands	4.5
Spain	3.9
Italy	2.9
Finland	2.7
Norway	2.2
Thailand	2.2
Cash/Other	2.0

Top 25 Holdings

	% of Net Asset Value
BP Plc.	3.5
Roche Holdings AG Genusscheine	3.5
Tesco Plc.	3.4
AstraZeneca Plc.	3.3
Panasonic Corp.	3.2
Total S.A.	3.0
ENI S.p.A.	2.9
Nokia OYJ	2.7
Royal Dutch Shell Plc., A Shares	2.7
East Japan Railway Company	2.7
Sanofi	2.6
Sumitomo Mitsui Financial Group Inc.	2.6
Sumitomo Mitsui Trust Holdings Inc.	2.6
China Mobile (Hong Kong) Ltd.	2.5
Bayer AG	2.5
Shanghai Fosun Pharmaceutical Group Co. Ltd.	2.4
Novartis AG	2.4
Singapore Telecommunications Ltd.	2.3
Adecco S.A.	2.3
Galaxy Entertainment Group Ltd.	2.3
Swire Pacific Ltd. 'A'	2.3
ING Groep N.V.	2.3
Bangkok Bank PCL	2.2
DBS Group Holdings Ltd.	2.2
Koninklijke Ahold Delhaize N.V.	2.2
Top 25 Holdings	66.6

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.



GLOBAL EQUITY

RBC PRIVATE WORLD EQUITY POOL

June 30, 2018

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

Sub-Advisor: Capital Guardian Trust Company, Los Angeles, California

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.

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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.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term growth primarily through capital appreciation by investing in a portfolio of common stocks, American Depositary Receipts ("ADRs") and equivalent securities of companies domiciled in the U.S. and the developed countries of Europe, Australasia and the Far East ("EAFE").

The Fund invests in companies considered to have superior management, superior prospects for earnings growth or cash flow, long-term value in a competitive market position, asset value, new product potential and global market expansion. The Fund diversifies by region and sector within minimum and maximum exposures. The Fund will usually not invest more than 10% of the market value of the Fund in emerging markets, defined as those markets not in the MSCI World Equity Index.

Results of Operations

The Fund's net asset value was \$347 million as of June 30, 2018.

Over the past six months, the Fund's Series O units gained 6.6%. The Fund's return is after the deduction of 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.

Global equities moved up slightly in the first half of 2018. Selling pressure caused by a rise in interest rates was followed by a slow recovery in share values as the second quarter came to a close. U.S. shares were helped by strong earnings, while European shares were pressured by a strengthening of the euro early in the year. Emerging markets were weighed down by concerns about the rise in the U.S. dollar.

The portfolio was positively affected by GoDaddy, as the internet domain registrar and web-hosting company reported strong earnings and raised profit guidance. ASML Holding, which supplies photolithography systems to the semiconductor industry, raised earnings guidance amid vibrant product demand. Casino operator Las Vegas Sands benefited as the strong U.S. economy lifted discretionary spending. Safran, a French aircraft-engineering company, and Airbus, an airplane maker, both benefited from strong global demand for air travel.

The portfolio was negatively impacted by Incyte, a biopharmaceutical company that suffered disappointing results in a clinical drug trial. Shares of Naspers, an internet and entertainment company, was hurt by a sell-off in shares of Tencent, in which Naspers has a significant investment. Qualcomm, a semiconductor and telecommunications-equipment company, was hurt by concerns about a potential trade war with China. A zero weighting in streaming-TV-provider Netflix, which performed well, held back results. The portfolio was also negatively affected by a modest cash position, which served as a drag on results in a rising market.

Recent Developments

The sub-advisor has invested in sectors with promising long-term outlooks while seeking to minimize the potential for declines in industries with high valuations. For example, the sub-advisor added to exposure in the Energy sector through positions in oilfield-services and drilling companies. Demand for oil is strong amid the global economic upswing, and exploration projects are slowly getting on track after a lengthy hibernation. The increasing number of rigs in operation bodes favourably for companies offering oilfield services.

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 \$1,000 (2017 – \$0) or 1% (2017 – 0%) 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		
											Total	
Series F												
June 30, 2018	235.91	2.92	(1.50)	12.16	0.70	14.28	—	(1.45)	—	—	(1.45)	248.65
Dec. 31, 2017	205.52	4.88	(2.84)	15.28	21.23	38.55	(0.02)	(2.10)	(6.63)	—	(8.75)	235.91
Dec. 31, 2016	213.17	5.57	(2.53)	10.01	(16.45)	(3.40)	—	(2.81)	(3.09)	—	(5.90)	205.52
Dec. 31, 2015	187.57	4.07	(2.62)	18.77	13.37	33.59	—	(1.24)	(6.80)	—	(8.04)	213.17
Dec. 31, 2014	167.71	3.33	(2.23)	8.76	11.12	20.98	—	(1.09)	—	—	(1.09)	187.57
Dec. 31, 2013	126.37	2.35	(1.85)	4.91	38.42	43.83	—	(0.54)	—	—	(0.54)	167.70
Series O												
June 30, 2018	236.42	2.93	(0.20)	12.20	0.55	15.48	—	(2.77)	—	—	(2.77)	249.20
Dec. 31, 2017	205.90	4.89	(0.38)	15.32	21.98	41.81	(0.05)	(4.48)	(6.63)	—	(11.16)	236.42
Dec. 31, 2016	213.62	5.58	(0.34)	10.04	(15.17)	0.11	—	(5.07)	(3.09)	—	(8.16)	205.90
Dec. 31, 2015	188.04	4.09	(0.35)	18.82	13.41	35.97	—	(3.57)	(6.83)	—	(10.40)	213.62
Dec. 31, 2014	168.09	3.33	(0.30)	8.78	11.14	22.95	—	(2.99)	—	—	(2.99)	188.04
Dec. 31, 2013	126.49	2.31	(0.25)	4.83	37.79	44.68	—	(1.96)	—	—	(1.96)	168.08

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.



FINANCIAL HIGHLIGHTS (cont.)

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 F							
June 30, 2018	248.65	8 031	32	1.24	1.24	34.61	0.04
Dec. 31, 2017	235.91	7 814	33	1.25	1.25	30.64	0.05
Dec. 31, 2016	205.52	5 622	27	1.25	1.25	22.16	0.03
Dec. 31, 2015	213.17	6 652	31	1.26	1.26	27.86	0.07
Dec. 31, 2014	187.57	5 806	31	1.27	1.27	27.06	0.05
Dec. 31, 2013	167.71	5 490	33	1.28	1.28	25.27	0.09
Series O							
June 30, 2018	249.20	339 371	1 362	0.17	0.17	34.61	0.04
Dec. 31, 2017	236.42	315 437	1 334	0.17	0.17	30.64	0.05
Dec. 31, 2016	205.90	265 049	1 287	0.17	0.17	22.16	0.03
Dec. 31, 2015	213.62	280 279	1 312	0.17	0.17	27.86	0.07
Dec. 31, 2014	188.04	246 938	1 313	0.17	0.17	27.06	0.05
Dec. 31, 2013	168.09	190 309	1 132	0.17	0.17	25.27	0.09

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.

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.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the Fund.

The management fee with respect to Series F units is 1.00% and is payable by the Fund on a monthly basis and calculated at the annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

The management fee with respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

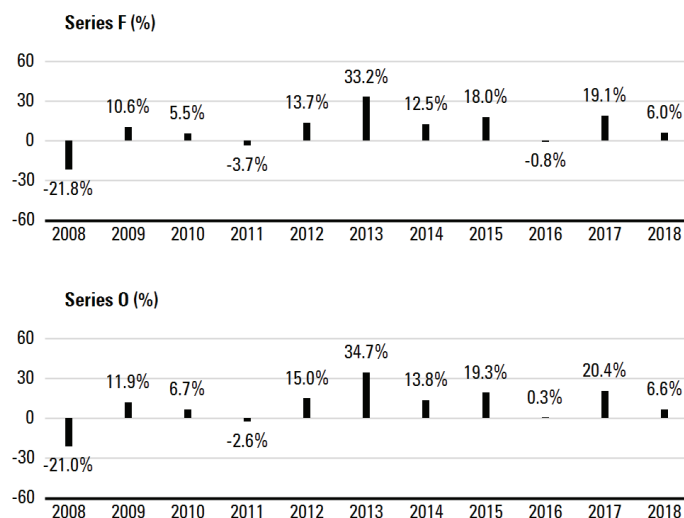


PAST PERFORMANCE

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, or 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.



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
United States	49.8
France	9.0
Japan	7.0
United Kingdom	6.6
Hong Kong	3.9
Netherlands	3.1
Denmark	2.7
Taiwan	2.1
Switzerland	1.4
Finland	0.6
Other Countries	9.6
Cash/Other	4.2

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	4.1
AIA Group Ltd.	3.1
ASML Holding N.V.	3.1
Las Vegas Sands Corp.	2.7
JPMorgan Chase & Co.	2.7
CME Group Inc., Class A	2.2
Safran S.A.	2.2
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	2.2
GoDaddy Inc.	2.1
Enbridge Inc.	1.9
Visa Inc., Class A	1.9
Royal Dutch Shell Plc. ADR	1.9
Gilead Sciences Inc.	1.8
Airbus SE	1.8
Apple Inc.	1.7
Schlumberger Ltd.	1.6
Pernod-Ricard S.A.	1.6
American Tower Corp. Real Estate Investment Trust	1.6
Keyence Corp.	1.6
Hilton Worldwide Holdings Inc.	1.6
AstraZeneca Plc.	1.5
QUALCOMM Inc.	1.5
Nestlé S.A.	1.4
Carlsberg A/S	1.4
Broadcom Inc.	1.4
Top 25 Holdings	50.6

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

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**Global Asset
Management**